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**UNITED NATIONS
BUSINESS OPPORTUNITIES**

A guide for Atlantic Canada



Atlantic Canada
Opportunities
Agency

Agence de
promotion économique
du Canada atlantique



Prince Edward Island
Île-du-Prince-Édouard




UNITED NATIONS BUSINESS OPPORTUNITIES

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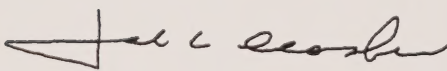
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As the Minister for the Atlantic Canada Opportunities Agency (ACOA) and Minister of Fisheries and Oceans, I am pleased to introduce the United Nations Business Opportunities: A Guide for Atlantic Canada.

To compete successfully in a changing global marketplace, Atlantic Canadian entrepreneurs need to gain an edge. This publication is designed to assist businesses to penetrate the U.N. institutional market, which offers many new and exciting opportunities for Atlantic Canadian entrepreneurs.

By focusing on U.N. agencies and organizations located in New York and Washington, this United Nations business opportunities guide will help small and medium size businesses in Atlantic Canada learn how to take advantage of unique opportunities that can help them become more prosperous.



John C. Crosbie

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Information in this guide was derived from published sources and personal interviews with representatives in the various U.N. agencies and does not represent the present or past policies of the Government of Canada. While it is our intention to present material as factually and insightfully as possible and to verify accuracy, it is wise to investigate each situation thoroughly. ACOA is not responsible for any errors or omissions that may apply to specific use of information in the guide.

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Introduction

ACOA is pleased to provide this guide on United Nations Business Opportunities to the regional business community. We have tried to simplify the maze of U.N. agencies and perceived bureaucracy in a way that invites participation. The guide is designed as a practical and usable document to assist interested businesses to penetrate this unique institutional market.

Our focus throughout the guide is on opportunities which can be developed through U.N. agencies or organizations located in New York or Washington, D.C. Included are descriptions of these organizations (what they do and how they work), information on tendering, what makes a successful supplier, other business issues and where to get help. We have placed particular emphasis on identifying opportunities available for small to medium-size businesses and individual consultants in the Atlantic Region.

I. THE UNITED NATIONS OPPORTUNITY

CANADA: A major donor country

*The U.N. market:
Unrealized Potential*



CANADA: A major donor country

Canada has always been a strong supporter of the United Nations. We participated in the drafting of both the United Nations Charter and the Universal Declaration of Human Rights. We have served on the Security Council five times and presently serve on the executive boards and governing councils of many of the U.N.'s key agencies.

With a population of only 28 million, 31st in the world, Canada is the eighth largest contributor to both the U.N. regular budget and the peace-keeping budget. Our annual contributions to the regular budget, peace-keeping and all other U.N. agencies and operations exceed \$1 billion per year.

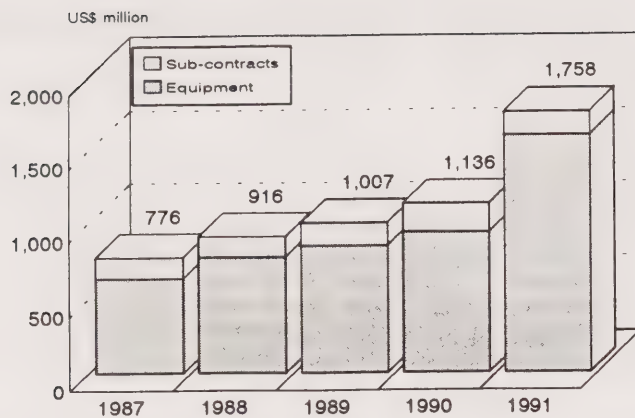
Aside from Canada's generous contributions, it is our Government's policy to pay its share of the U.N. regular budget on the first day of the U.N. fiscal year (January 1). Canada has made a commitment to pay other assessments on the day they are due as well. This is not true of many other countries.

CANADIAN CONTRIBUTIONS TO SELECTED AGENCIES CALENDAR YEAR 1992 (\$'000 Canadian)

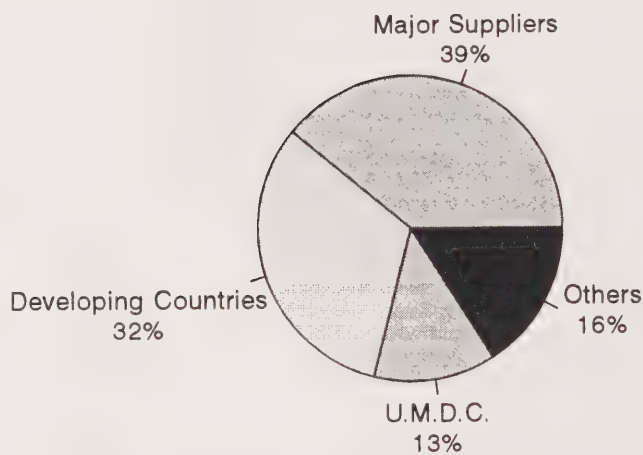
United Nations Development Programme (UNDP)	\$ 64,500
United Nations	35,565
United Nations Children's Fund (UNICEF)	17,400
Food and Agriculture Organization (FAO)	13,683
United Nations Population Fund (UNFPA)	13,400
World Health Organization (WHO)	11,891
U.N. Education Scientific and Cultural Organization (UNESCO)	11,432
Pan American Health Organization (PAHO)	8,528
International Labour Organization	8,195
U.N. Industrial Development Organization (UNIDO)	3,794
Estimated total peace-keeping contributions	101,200

Canadians are well-received throughout most of the world, and in that regard we have some advantage in pursuing international opportunities. Our foreign policy over the years has built up a great deal of good will. Culturally, Canadians are perceived to be honest, fair, competent and reliable partners. This is especially true in Caribbean countries, where Canadian consultants and vendors have done well securing business.

However, Canadians have not been aggressive enough in pursuing international opportunities within the U.N. system. It is U.N. policy to equitably distribute contracts among member country nationals. Canada is officially classified as an "under-utilized" major donor country (along with Denmark, Finland, the Netherlands, Norway and Sweden), because our share of U.N. business is not in keeping with our share of contributions. As a result, Canadian companies are given some preference in being invited to bid.

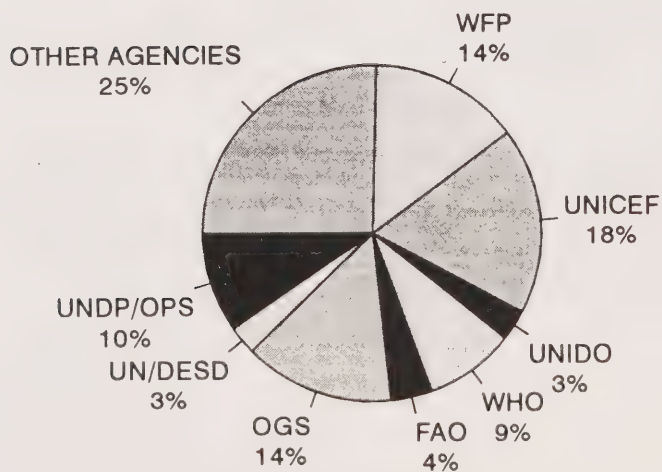


U.N. System Procurement
1987-1991 Trend



U.N. Procurement by Supplier Country
1991 - % of Total Dollars

U.M.D.C. - Under-Utilized Major Donor Countries
Including Canada



U.N. Procurement by Agency
1991 - % of Total

The U.N. market: Unrealized Potential

The United Nations system of organizations represents a vast global market for potential suppliers of goods and services. These organizations purchase not only for their own use, but they also procure inputs to the technical cooperation projects for which they are responsible. Requirements for goods encompass practically the full range of manufactured products, from simple commodities to highly technical specialties to complete plants. Required services cover a similarly wide spectrum, from expert inputs/consulting assistance on economic or engineering feasibility studies to preparation of complex plans complete with designs, specifications and cost estimates. There is need for experienced individuals, small and large consulting firms, other service firms, and contractors.

It should be pointed out that there are no rigid rules in the U.N. system. Purchasing procedures are operated with flexibility, primarily because individual orders are often small. The vast majority of purchases are for less than US\$ 20,000, and reliable suppliers get repeat business.

During 1991, United Nations direct procurement totalled nearly US\$ 1.8 billion. Of this, 91 percent was for goods and equipment, and 9 percent was for sub-contracts (with consulting firms, contractors and other service firms).

Procurement from the seven "Major Supplier Countries" to the U.N. system (USA, Japan, Germany, U.K., Italy, France and Switzerland) accounts for about 39 percent of the total, although this amount is significantly down from the 63 percent posted in 1986 for major supplier countries. During this same period, the figure for procurement from Developing Countries increased from 19 percent in 1986 to 32 percent in 1991. Under-utilized Major Donor Countries have accounted for a relatively constant 12-13 percent.

Canada's share of U.N. procurement in 1990 was only US\$ 20 million, or 1.84% -- \$ 16.5 million of goods and \$ 3.5 million services. It is interesting to note that of the goods procured from Canada, only two-thirds were considered to be of Canadian origin.

Total procurement figures published by the United Nations system do not include the amount spent on international consultants and experts (individuals retained as part of project personnel), which is a major portion of most project expenditures. In 1991, 18,762 international consultants were recruited for project work. Of this number, 39 percent were from Developing Countries and 11 percent were from the Under-utilized Major Donor Countries. Females constituted about 8 percent of the total. Average length of project assignments was about two months.

The majority of international project personnel were assigned to Asia and the Pacific (35%) and Africa (38%). Just over half were nationals of Developed Countries; about 35 percent were from the Developing World; and only 11 percent were from Under-utilized Major Donor Countries, including Canada.

Nine major agencies account for 85 percent of all U.N. procurement -- the largest being UNICEF (18%), the World Food Programme (14%), the U.N./Office of General Services (14%) and the UNDP/Office of Project Services (10%). These agencies and their purchasing practices are described in more detail in Section VI, Understanding the U.N. System.

II. GETTING STARTED

In preparation

Getting listed

Determining where to start in pursuing United Nations business opportunities is a major barrier for many. The U.N. is a seemingly endless bureaucracy, further confused by their liberal use of acronyms. Although it is not always the most profitable market, the U.N. is a market well-suited for small businesses, and many types of companies can find a place. Once established, firms tend to get repeat business.

The first step in getting started is to do your homework. ***Rule number one is to clearly define your niche.*** Generalists get nothing at the U.N. Consultants sometimes have a more difficult time with this than do manufacturers.

Having defined who you are, the next step is to ***determine where your product/service is needed*** -- both from an agency point of view and a geographic one. Becoming knowledgeable on where to target requires systematic effort. This guide has attempted to provide some initial information on what the various executing agencies are involved with in order to give you a start in the right direction. Depending upon your industry, there may be information available on what is happening in other parts of the world. Also, you may be limited by language or personal goals. There are numerous publications by External Affairs Canada and by the World Bank which can help you become more familiar with the basic situation in various developing countries.

Having clarified the above will help you determine who at key organizations to contact. Learn the organizational chart of the agencies which may have an interest in your product/service. Find out where the project managers are located and which people specifically in project management, technical and/or geographic areas are your key contacts. Getting to the right people is important. In spite of the seeming unwieldiness of the U.N., ***rule number two is to remember that real people are involved.*** They behave in similar ways to other buyers you deal with. Correspondence that is sent to a department or a position title is junk mail.

Most U.N. agencies are divided by country responsibilities and by sectoral or technical expertise. Where project management is assigned depends on the organization, but will most often be in one of these two departments. ***Contacts are important with country and technical officers as well as with purchasing people responsible for your product/service.***

Although it may be possible for a supplier of simple goods to acquire U.N. business without ever visiting U.N. offices, this is the exception rather than the rule. For consultants, it is most important to make personal contacts. ***When meeting with U.N. people, be prepared.*** Begin by writing to introduce yourself. Before making a trip, phone to make appointments. This will help you get the most out of your investment. You will be able to schedule more appointments, and it will help the people you are seeing to better prepare information for you.

Being prepared cannot be emphasized enough. Most fields are highly competitive -- nearly every country has sophisticated consultants and companies and competition is coming from many directions.

Getting listed

The U.N. system is moving towards maintaining a central roster database with IAPSO (Inter-Agency Procurement Services Office) in Copenhagen, with standardized registration forms. However, it may be some time before the transition is complete.

Until that time, each organization will continue to keep its own rosters of suppliers, and use its own forms. There are usually separate rosters for vendors, sub-contractors (consulting firms, contractors and other service firms) and individual consultants. Rosters include data on a firm's (or individual's) capabilities, fields of expertise and past experience -- information submitted is subject to verification.

Although registration is not a requirement for a firm to be considered, it is a practical advantage, especially for larger tenders -- so it is strongly recommended that a prospective supplier be on the roster. There is no charge for getting listed.

To register, write to the appropriate purchasing people, indicating your interest in being included on the agency's roster and requesting the appropriate forms to fill out. Enclose your brochures, any promotional material, and resumes (for consultants). Some agencies will not automatically include you on their roster -- your information will be sent around the various departments for comment. If your product/service is found to be acceptable, you will be invited to fill out the roster registration form. It is necessary to make yourself known at this time, either through phone calls to follow-up your initial letter and information, or if possible by planning a visit. You must register separately with each agency likely to require your type of goods or services.

While it may be possible to be asked to bid from simply being on a roster, it is rarely possible to win a contract without face to face contact. Rosters are used most often by the UN/Office of General Services for internal U.N. purchasing, or for purchases of commodity items. In putting together short lists of firms to be invited to tender, most project officers refer to the rosters on occasion, but they tend to rely more heavily on their own informal lists (which they repeat on), personal experience and informal communication with other project managers.

Once listed, it is important to keep your roster information up to date as you modify or add new products, gain experience (particularly international experience) or have organizational or address/telephone changes. Copies of any new catalogues and technical brochures should also be sent as they are issued. There is no U.N. service to update your file for you; it is your responsibility. Rosters are occasionally purged of companies that have not developed U.N. business -- some agencies do this more frequently than others.

It can also be helpful to register with the Canadian Commercial Corporation (CCC) in Ottawa. The CCC is a division under Supply and Services Canada which deals with country to country sales -- including an office dedicated to U.N. sales both for goods and services. The CCC has a history of doing business with all of the U.N. organizations, and for a long time has been the main Canadian contractor for deliveries of goods to the U.N., particularly for peace-keeping operations. It has become policy of some agencies to send requests for major tenders to the CCC. There is no charge for CCC services or listing.

III. SOME MARKETING ADVICE

Identifying opportunities

Successful suppliers

Advice to consortia

The decision makers

Identifying opportunities

The United Nations system attempts to disseminate as widely as possible advance information on future projects. However, given the cost involved, advance advertisement is generally limited to purchases in excess of US\$ 100,000. "Development Business" is the publication most frequently used to advertise advance information. Some U.N. organizations also advertise in special professional and trade journals. Advance notice normally allows 30 days minimum for potential suppliers of goods to indicate their interest.

"Development Business" is published 24 times a year by the U.N. Division for Economic and Social Information in New York. The publication carries procurement notices for goods and services which are subject to international competitive bidding for projects funded by the UNDP, the World Bank and other International Financial Institutions (IFIs). Some procurement notices from national governments also appear. Included in each issue are monthly summaries of the World Bank and the Inter-American Development Bank, which track new projects from the time they are proposed. Subscriptions are US\$ 350 per year -- payment is made in US dollars to U.N. Development Forum by cheque or money order drawn on a bank located in the United States, or by major credit card. For subscription information contact:

Development Business
P. O. Box 5850, Grand Central Station
New York, NY 10163-5850 USA
Tel: (212) 963-1515
Fax: (212) 963-1381

"Development Business" subscribers can also subscribe to Development Business' on-line project database called "Scan-a-Bid". This offers the same information as in the print copy, but two and a half weeks earlier on average. Also "Scan-a-Bid" files are updated three times a week. Cost is US\$ 600 for six months or US\$ 960 for twelve months, in addition to the cost of subscribing to "Development Business". To order contact:

Scan-a-Bid, Development Business
Room DC1-559, United Nations
GCPO Box 5850
New York, NY 10163-5850 USA
Tel: (212) 963-1515

The UNDP and UNIDO also have free in-house newsletters which provide advance notice of projects in these agencies. To order "Update", the UNDP newsletter, write:

Division of Public Affairs
United Nations Development Programme
One UN Plaza
New York, NY 10017 USA

The "UNIDO Newsletter" may be ordered by writing:

United Nations Industrial Development Organization
P. O. Box 300, A-1400
Vienna, Austria

The vast majority of opportunities, however, are too small to warrant publication and full international competitive bidding, and information dissemination is very informal. The best way to keep abreast of opportunities coming up is through maintaining regular contact with project officers (usually divided geographically) and technical/sectoral staff. Successful firms and individuals call in person at the U.N. office about once or twice a year, and speak to their contacts another 2-3 times a year.

For consultants, research on what projects are coming up can begin early in the process by maintaining appropriate contacts (by country and sector) at the funding agency level -- usually the UNDP. In addition to getting early advance notice of projects, consultants are often retained in the very early stages of a project to assist with the initial project preparation work. Getting early contracts can position you to have a better chance to perform work at later stages of the project.

For equipment suppliers, the marketing task is less dependent on very early project notice. Your regular contacts will provide ample advance notice of opportunities to express interest and to allow time to work out service and training arrangements if required for your bid.

Successful suppliers

Doing your *homework* before you start cannot be emphasized enough. Most prospective suppliers are screened out simply because they never make it to the right people; or if they do, they don't represent themselves well because their promotional package (both printed and oral) doesn't make a favourable impression or instill confidence that the firm/individual can deliver what is needed.

Personal contacts are important. Project managers respond to visits and need product information. Rosters contain thousands of names, and project officers are only human -- so it is important to build a reputation and get known. Managers are responsible for the quality of their projects and that they be implemented in a timely manner. The only way they can accomplish their task is through maintaining personal contacts and repeating with dependable suppliers.

Successful companies make the project manager's job easier -- this includes making the officer feel comfortable and confident that the job will be done right. Equipment suppliers and technical contractors sometimes make presentations to technical advisors when there is something new. Technical advisors rely on this kind of information to keep them up to date. Overly aggressive companies, however, are a problem as project officers are busy people and don't have time to waste.

Most often suppliers of both goods and services to the U.N. system are well ***experienced*** in their field. U.N. agencies rarely will contract with a novice company or individual. Prospective suppliers should have been in business a minimum of three years, and must have established a reputation for being dependable. For individual consultants, only experts with years of experience in their field are normally considered.

Having ***international experience*** is a real plus, especially for consultants -- and in particular with the developing countries you express interest in. The issue is cultural sensitivity and understanding. There may be some opportunity to gain this experience through working on or supplying Canadian International Development Agency (CIDA) projects.

You can improve your chances of being included on the short list for any specific project by expressing interest and requesting the opportunity to bid. This request should be directed to the project officer as well as to the purchasing person who will be responsible. Expressions of interest are noted in a special documentation file on the project, and weigh heavily in determining who is invited to bid.

Reasons a new supplier is added. Most often when a new supplier is added it is a matter of timing and having made the right contacts. There is also some pressure on project and purchasing officers not to be exclusive, and every so often they will inject a new source on the short list by design. Normally, though, there are a limited number of proven suppliers (sometimes only 3-4) of a given product or service that are used again and again.

Advice to consortia

Consortia usually come about circumstantially. In order for a consortium to win a contract, U.N. officials want a lead company in charge that assumes responsibility -- this company is then free to sub-contract with others as they choose in order to get the job done. Some have had bad experiences with consortia -- especially regarding lack of management control and lack of leadership responsibility.

If a consortium were to set out to market themselves together, the group must be organized, marketed and packaged as one -- with one set of business cards. It is not necessary to indicate that the group is a consortium. When a group calls on U.N. officials, each member with their own cards, promotional literature and identities -- the official retains little understanding of the group and tends not to be able to identify with them. Under these circumstances, they quickly forget who is part of the consortium.

The U.N. encourages cooperation with developing country firms and individuals. Firms from developed countries will sometimes sub-contract with companies in developing countries (especially Least Developed Countries) in order to make their bid more competitive.

The decision makers

As emphasized earlier, the project management officer is the person who determines which firms will be placed on the short list of those invited to tender as well as individual consultants to be contacted. Project management is assigned either geographically or by technical specialty, depending on the organization. In any event, the two areas cooperate with each other. Procurement and personnel officers simply follow through on the logistics of tendering or recruiting. While the process of inviting tenders is informal, the final selection tends to be more competitive.

In the case of tenders for services, the short list is cleared with the beneficiary government before invitations to bid are sent out. The country government has veto power with regard to who is included on the short list -- consultants are often rejected for cultural or religious reasons and prejudices. The national government does not have to give a reason. Most often the U.N. makes the final decision once the short list has been approved by the country.

For selection of individual consultants, the project manager gives the country 2-4 names of qualified experts to choose from, but a recommendation is normally made informally. Again, the government can reject people for any reason. Fortunately, Canada has not really offended anyone, and Canadians are generally viewed positively.

Goods and equipment purchases tend to be more straight forward and objective than consulting services. Specifications for more technical equipment are set by a technical advisor (in the case of the UN/Department of Economic and Social Development, this person may be the project manager), who also identifies firms for the short list, reviews bids and makes recommendations on final selection. In some cases, specifications may be set in the field. Most of the time, the U.N. makes the final decision on goods/equipment purchases, although countries participate in decisions on larger projects.

Once a project contract is awarded, the project officer manages the contract, and is the key U.N. liaison from there on.

IV. THE PROCUREMENT PROCESS

Common principles of procurement

Competitive tendering

Tendering information

Recruiting individual consultants

Evaluating tenders

Winning Proposals

Common principles of procurement

Although procurement rules and procedures of the various U.N. agencies vary somewhat to reflect differences in size, activities and years of existence, common principles are applicable throughout the system. The most significant commonality is that the United Nations operates on "public funds", which requires that equal opportunity to participate be offered to potential suppliers from all member countries. A result is that special preference is given to major donor countries who have not been awarded their fair "share" of U.N. contracts and to Developing Countries -- when short lists are determined, one-third of the firms are supposed to be from under-utilized major donor countries, one-third from developing countries and one-third from other countries. The exception is the World Bank, which follows competitive bidding from all member countries with no preferences given.

Another major principle is that the United Nations attempts to procure under the most favourable conditions possible; i.e. the lowest possible cost consistent with maintaining adequate quality standards. Most agencies deal directly with manufacturers rather than through agents or distributors, mainly because prices are not generally competitive otherwise. There are also certain general hurdles which prospective suppliers of *goods* (equipment and supplies) must meet:

- (a) the supplier must be able to document its qualifications as a supplier of the particular items to be procured
- (b) must have a history and be of sound financial standing
- (c) have no affiliations with any countries against which the General Assembly has designated trade sanctions (e.g. South Africa)
- (d) if the product or project requires, be able to
 - arrange delivery and provide installation and after-sales service in the country where the equipment is to be used
 - supply technical manuals, instruction booklets and spare parts lists in the required language (most often English; some French (African countries) or Spanish (Latin America))
 - provide support services, including training, by technical staff proficient in the required language
 - dispatch company staff to the project site at short notice in case of emergencies
- (e) ensure proper administrative, technical and quality control

Potential suppliers of *services* must primarily be able to document their experience in the field in which they wish to be considered -- particular preference is given to companies with experience in developing countries. For large projects, the firm must be able to document their sound financial standing. As above, the firm may not have affiliations with countries designated as an unacceptable source of supply.

Experience is critical -- the United Nations system does not view itself as having any responsibility for assisting firms or individuals to gain experience, nor are they looking for new and untried ideas or ways of doing things. The U.N. is not normally a testing ground for new technologies. They are seeking the "tried and true" in both goods and services.

Efforts are underway to better coordinate and in some cases centralize purchasing. Some supplier registration forms will be standardized in the near future, with the rosters held in a central data-bank. The Inter-Agency Procurement Services Office (IAPSO) located in Copenhagen, Denmark, is the coordination and business information centre for both U.N. organizations and potential suppliers.

Competitive tendering

Procurement procedures at the U.N. are fairly simple and informal. However, approval becomes more formal as the size of the purchasing requirement increases. For purchases under US\$ 20,000 (which are the majority), request for bids/prices are often sent out by fax. The approval for small purchases is delegated to the project or field officer.

Purchases from US\$ 20,000 to US\$ 70,000, require more formal competitive bidding. Short lists are developed as explained earlier, but still in an informal manner. A short list generally includes three to six firms, one-third from developing countries, one-third from under-utilized major donor countries, and one-third other. This is followed loosely. The process and selection requires approval by the director of the agency involved.

Purchases over US\$ 70,000 require approval by an evaluation committee or panel, which reviews procedures regarding the development of the short list (including the 1/3, 1/3, 1/3 rule). Their ruling generally follows the recommendation of the project officer and/or director.

Unsolicited bids may be considered for the procurement of goods providing the firm meets the basic requirements for prospective suppliers. However, for service contracts, because the list will have been approved by the recipient government, only proposals from invited firms are accepted.

U.N. purchasing procedures do not presently allow for standing offers. In theory, a company has to re-bid over and over for repeat orders. In practice, however, purchases for identical items within a limited period of time are allowed to be sole sourced, if prices and conditions continue to remain competitive.

U.N. agencies try not to rely on sole sourcing, but there are exceptions to competitive requirements. In addition to the above, these include instances where:

- the purchase is small
- there are time constraints, as in emergency situations
- the equipment is only available from one source
- the purchase is for supplementary equipment/work to expand what is already there

The World Bank is the exception. Because of the large size of World Bank projects, the Bank will sole source consulting on early internal work for projects up to US\$ 100,000-200,000. Furthermore, this can lead to sole sourcing of later work on the same project downstream.

Tendering information

Firms invited to submit bids or proposals will receive tender documents. These documents are usually provided free of charge (although a nominal fee is sometimes required for complex tenders). Tender documents usually include the following information:

- specifications on equipment and description of services to be provided and an indication if suppliers are required to quote on each separately
- information on additional factors in evaluating the bid, such as servicing facilities in the recipient country, installation, training of local personnel, spare parts, maintenance, life cycle costing and manuals -- although equipment bids may contain some consulting elements, they are handled as equipment procurement
- the date, time and place for the submission of the bid or proposal
- the period for which the bids remain valid
- any other significant information affecting procurement practices or terms of contract
- on common equipment, sometimes a ceiling price is set
- for consulting proposals, how the proposal will be evaluated (usually via points and weighting)

Most consulting proposals require fixed (i.e. firm) price bids. U.N. agencies may use either a one-envelope or two-envelope system depending on the nature of the project. This will be specified in the Terms of Reference.

A two-envelope system is often used for technical proposals. The first envelope contains the technical proposal including methodology and work plan. The second contains financial aspects of the proposal including price (itemized as much as possible) and payment schedule. The technical proposal is opened first. If found to be acceptable, then the financial proposal is opened. If not, the financial proposal does not get opened. The one-envelope system has both technical and financial together.

U.N. agencies take a procurement approach to purchasing. Budgets are not flexible with regard to proposals and objectives. The normal procurement attitude is "this is what we want". While there is some latitude to make suggestions, they must be within the limits of what has been requested.

Because project officers are people, tender documents have varying degrees of detail and clarity, depending on who wrote them. If you need clarification or more information, call and ask -- it is best not to make assumptions. However, at this point, project officers try not to give preferences or favours. Any substantive information they clarify with you is likely to be disseminated to the others bidding -- this is particularly true at the Office of General Services.

Normally, you will have about four weeks to prepare and send in your bid. For small orders and projects, invited firms are often given only 2-3 weeks or less. Emergency situations may dictate bid responses within a few days. For more complex, high value projects, agencies will usually allow up to six weeks.

It is requested that you acknowledge receipt of tender documents and indicate whether or not you intend to submit a bid or proposal. If you do not respond to the tender request (that is, you do not indicate that you will not be responding and why), you jeopardize your chances of being invited to tender again.

If a specific request is made from an unsuccessful tenderer or a concerned government office, U.N. organizations will provide a brief statement giving the key reason for lack of success. It is best to approach this type of request with caution and professionalism, and with the attitude that clarification would assist in future bids.

Recruiting individual consultants

There is no tendering in recruitment of individual consultants. The project manager simply develops a short list of up to five people who will be contacted either directly or through the personnel department to get expressions of interest. This request for interest does not constitute an offer.

Terms are generally presented as if you were being hired for a job by an employer. Rates are established by the personnel department based on the consultant's background and the nature of the job to be performed. There is some limited room for negotiation.

Financial arrangements are divided into honorarium and per diem. Honorarium is the fee paid for your services; per diem is to cover living and travel expenses. Per diem allowances are paid at set rates.

Sometimes notice for an assignment can be very short -- from a few days to a few weeks. However, most agencies are not very quick to put things together (especially the FAO and the Department of Economic and Social Development). It can take up to several months from the time you are contacted regarding interest in a contract to the time the assignment begins. You are under no obligation to accept an assignment if a lengthy time has transpired, and you are no longer available. It is wise to advise the project officer if you know you will not be available after having expressed interest. This happens frequently, which is why several people are generally contacted initially.

Although U.N. agencies prefer to deal with individuals for project assignments, they will work through a firm to get a particular individual if need be. In fact, sometimes a firm is contacted because they can mobilize a consultant quickly. This is a real advantage when notice is short. If a firm is involved, the U.N. retains the individual on what is termed "reimbursable loan" from the company. This means that the U.N. will pay only the cost of that person to the firm, including salary and benefits the person earns and some allowance for overhead.

Evaluating tenders

Bids and proposals received are examined to verify that they comply with conditions set out in the tendering documents; that they satisfy the specifications or terms of reference set out; and that they are otherwise responsive to the project needs.

Factors taken into consideration when evaluating bids for goods, equipment and supplies include as applicable:

- FOB cost including discounts (where FOB is defined literally as free on board the carrier, not at factory door)
- delivery schedule
- the company's capacity to fill the order on time
- total freight and insurance cost involved in delivering the goods
- installation costs
- warranty offered
- quality assurance offered
- availability of after-sales service and spare parts
- quality of operating and service manuals in the required languages
- training programs for local personnel
- compatibility with other equipment
- life cycle costing
- payment schedule and terms requested

Orders are placed with the lowest technically acceptable bidder, with due consideration given to warranties and availability of local servicing and spare parts if the product requires.

Factors considered in evaluating proposals for services may include where applicable:

- the supplier's experience in the project field
- capacity to finish the project on time
- soundness and suitability of the methodology and work plan proposed
- relevance of verification processes and validity tests
- qualifications and competence of personnel to be assigned to the project
- overall cost
- payment schedule and terms proposed

In evaluating the proposal, the personal histories of key staff to be assigned to the project are reviewed. The individuals are rated on their general qualifications (including education and training, length and type of experience and time with the firm), adequacy for the project (suitability to perform the duties required) and language and field experience (including background in developing countries similar to the country in which the assignment is to be conducted).

Consulting contracts are usually awarded on the basis of technical acceptability and specific competence, the main factors being qualification of the proposed staff and the work methodology. Price is secondary; and, as noted earlier, the two envelope system is used by some agencies.

Currency Conversion

Bids or proposals can be expressed in Canadian or U.S. dollars. If in Canadian dollars, the cost figures will be converted into U.S. dollars for the purpose of evaluation using the official U.N. exchange rate at the time of opening.

Since some U.N. organizations receive financial support from countries whose currencies are not freely convertible, the utilization of these currencies may be a deciding factor, everything else being equal, in awarding the contract.

Winning proposals

Winning proposals explain themselves well, address all the demands of the tender documents or terms of reference and show a clear understanding of the project. Cosmetics are important -- the bid/proposal sells itself better if it looks good.

In practice, consulting firms invited to submit proposals usually have similar qualifications in terms of experience. The bids can only be differentiated on the basis of the way they address the terms of reference. Winning proposals are well thought out, with an easily understood work plan, resumes of senior staff with appropriate experience and language skills, and scope of work commensurate with the project budget (that is neither too extensive nor too limited).

In selecting winning bids for equipment requiring spare parts and service or training, project managers weigh heavily a firm's contacts or arrangements in the recipient country to satisfy these needs. You can get help making local contacts from the Canadian Embassy in the area, the Embassy or Consulates of the recipient country in Canada or the U.S., Chambers of Commerce in the country or through International Trade Associations. Should you need a local agent or partner for support services, the effort to develop business is much greater and will require travel to the targeted country/region. If this is part of your business strategy, it also gives you the opportunity to make contacts with resident UNDP representatives and local government officials for the purpose of securing business funded by the World Bank or other development bank (for loans from International Financial Institutions, the borrowing country is the executing agency and makes all procurement decisions locally).

V. OTHER BUSINESS ISSUES

Trade terms and logistics

Taxation

Business risks

Trade terms and logistics

Firms invited to tender will normally receive details of general and any specific terms and contract conditions as part of the tender document. Further details are specified in the various clauses of the contract itself. The following summarizes generally accepted terms and logistics.

Invoicing and payment terms

Invoicing for goods and equipment do not usually require acknowledgement of receipt at the other end because this process can take months. Invoices are normally accepted for payment if they include shipping documents (packing list and bill of lading, airway bill or dock receipt to the freight forwarder). It is important to make sure all information and document requirements are included with the invoice, or payment may be delayed. Payment of an invoice must be certified or approved by the project officer or purchasing agent before it is paid.

Most U.N. agencies pay equipment/goods invoices in 30 to 60 days. The Office of General Services generally pays more quickly in about 2-4 weeks.

Invoicing for consulting firms is scheduled in the contract and/or proposal. Normally invoices are either scheduled at intervals (e.g. one half before you start and one-half upon completion) or are staged based on scheduled outputs. The payment schedule should relate to costs incurred over the project compared to milestones. Relocation costs can be paid up front. You must include all required supporting documentation with the invoice (report, travel and expense claims) or there will be delays in payment.

Individual consultants do not submit invoices. Per diem expenses are frequently paid up front upon arrival at your station for short-term projects or are paid on an agreed schedule in lump sums. For longer-term projects, per diem may be paid monthly. U.N. agencies are normally prompt in per diem payments.

Scheduling of honorarium payments for individual consultants depends on the agreement and length of the project. For short-term projects (6-8 weeks), honoraria are usually paid in a lump sum at the end of the project. For longer projects, payment may be scheduled monthly or bi-monthly. Unfortunately, most U.N. agencies are slow to pay honoraria. In fact, it can take four to six months to receive payment. If payments are scheduled say monthly, you will receive payments monthly -- but delayed by several months. The project may have been long completed.

Experts who are retained for a year or more are usually taken on the U.N. payroll as staff members with benefits.

Currency of payment

The currency of payment for goods and services is stipulated in the purchase contract, and is usually the currency of the firm's home country -- which most often is also the currency in which the bid is quoted. It is possible to specify payment in a currency other than our own (such as US\$), but some agencies (such as the FAO) will require that you have a bank account in the country of your chosen currency. There are some exceptions to this rule -- the Pan American Health Organization normally pays in U.S. dollars, but occasionally in local currency (of the recipient country).

Consultants sometimes have part or all of their per diem paid in local currency to cover expenses incurred during their stay in the country. If a lot of travel in several countries is involved, per diem is often paid in U.S. dollars. Depending on the country, hotel bills may have to be paid in hard currency.

For consultants on longer assignments, generally the per diem and sometimes even a portion of their honorarium may be paid in the local currency -- the assumption being that you will want some money while you are there. This can usually be negotiated.

Travel

For individual consultants, travel in most cases is coordinated by the U.N. -- they also provide airline tickets. Firms make their own travel arrangements.

The UNDP will help with visas and related entry documents.

Language

English is the generally accepted language of the United Nations, and is the language of most tenders, proposals and reports (at least 90%). At the Office of General Services, in practice English is the only language used. Around the world most government officials and technical specialists speak at least some English.

For consultants who will be working in the field, however, language is a limiting factor. In Latin America, Spanish is critical; and to work in most of West Africa, you must be able to communicate fluently in French. English is generally accepted elsewhere, and the use of a translator is common; but knowledge of the local language is always a plus.

Language can also be limiting for suppliers of goods and equipment if the product needs installation or service, or when training is required. In these cases, the company may need to cooperate with a local firm. Product labeling, instructions or service manuals may have to be translated into the local language.

If there are language requirements other than English, it is usually specified in the tender documents or terms of reference.

Shipping and insurance

Freight is not generally a deciding issue in the awarding of contracts -- most decisions are based on F.O.B. prices. However, if freight cost differences are major relative to unit cost, it can weigh heavily. It should be pointed out that inland transport in some countries is phenomenally expensive -- good transportation arrangements can be an advantage in these cases.

Freight (except for bulky goods) is usually by air. It is faster and more dependable than surface transportation and there is also less risk of pirating.

Shipping terms are defined according to INCOTERMS -- a copy of which can be obtained by writing to the

International Chamber of Commerce
The World Business Organization
38, Cours Albert 1er
75008 Paris, France

Price quotations are usually requested on an F.O.B. (free on board the carrier) basis, with freight and insurance quoted separately. Some U.N. agencies (Pan American Health Organization, UNDP/Office of Project Services) have contracts with their own freight forwarders and insurance companies, but decisions on who will handle shipping is done on a case by case basis given the nature, value, complexity and destination of a particular shipment and on where they can get the lowest prices. UNDP/Office of Project Services usually uses its own insurance.

Occasionally, the Pan American Health Organization will request quotations F.O.B. a port of their choosing, usually Dulles (Washington, D.C.) or Miami. At the UN/Office of General Services, prices are quoted F.O.B. at your choice of port.

A supplier should be careful about transshipment through the U.S. if the shipment is destined for a country against which the U.S. has a trade embargo, such as Cuba. This may result in impoundment by U.S. Customs and extensive delays (not to mention headaches).

Warranties

U.N. agencies demand warranties upon installation of equipment. Insurance covers loss or damage on route.

Rules of Origin

Country of origin is not usually a problem, although there are some African countries that levy high tariffs on products from Taiwan. There may also be from time to time specific countries with which U.N. trade is restricted by official resolution, such as with South Africa.

Canadian Export Controls

Any firm doing business internationally is advised to stay abreast of Canadian export controls and/or restrictions that may relate to their product or service as well.

Taxation

Goods and services procured by U.N. organizations are normally exempt from all taxes and customs duties. This should be taken into account when quoting prices.

However, there are occasions when some tax may apply and so it is a good idea to find out. Typically, since the U.N. is customs exempt, any duty that may apply is not incumbent on the supplier. For example, if UNIDO is assisting a company in a developing country, and the country applies a tax, it is the assisted company's responsibility to pay it. It is rare, though, that there is any worry about taxes.

For individual consultants who are Canadian residents, income earned abroad is taxable if the stay is of short duration, which would apply to most U.N. consulting assignments of 6-8 weeks. Honoraria and possibly per diem allowances would be taxed depending on the contract. Should your absence from Canada exceed 181 days, or if you are not residing in Canada on December 31, a number of issues may apply that would reduce taxes on earned income. In each individual case, you should check with Revenue Canada.

Some U.N. organizations have no formal reporting to governments of fees paid to individual consultants -- this responsibility is left to the consultant to report. FAO is one that does provide a list of who was retained and what they were paid to member states.

Personal taxation of income from U.N. projects varies from country to country. A new rule has come into place at FAO, and may possibly also apply in other organizations soon with regard to tax status of individual consultants. FAO now has two tables with regard to consulting fees. If a consultant is from a country where he/she has to pay tax on foreign earnings, they are paid more to help cover the taxes. There is supposedly no discrimination based on which fee list applies.

Business risks

There is very minimal risk in doing business with U.N. agencies. It is comparable to dealing with a national government like Canada. Contracts are directly with the involved United Nations agency.

No U.N. organization will enter into a contract or other financial commitment unless the necessary funding is set aside. As a result most companies do not have export insurance for U.N. contracts, and carrying this insurance can make your pricing less competitive. Although financial risks are minimal compared to non-U.N. exports, it is still a good idea to evaluate potential credit risks and export credit insurance needs on a case by case basis.

Other risks are normally dealt with in the purchase contract. If a contract cannot be fulfilled because of political unrest, consultants are paid for what they have performed, and the contract is either terminated or is put on hold until things quiet down and the work can be continued safely. Should war break out before goods are shipped, the U.N. will negotiate storage until the unrest is settled. UNDP representatives are in charge of the security of all those on location on U.N. business.

Should any dispute arise that cannot be resolved between the firm or individual and the U.N. agency, the final authority is the U.N. tribunal system, the United Nations Commission on International Trade Law (UNCITRAL). A copy of arbitration rules can be obtained from

Inter-Agency Procurement Services Office (IAPSO)
Norre Voldgade 94
DK-1358 Copenhagen K
Denmark

VI. UNDERSTANDING THE U.N. SYSTEM

The U.N. system of organizations

Information on key agencies

United Nations Development Programme

Office for Project Services/UNDP

*U.N. Secretariat / Department of Economic
and Social Development*

*U.N. Secretariat / Office of General Services /
Commercial, Purchase and
Transportation Service*

*Food and Agriculture Organization of the
United Nations*

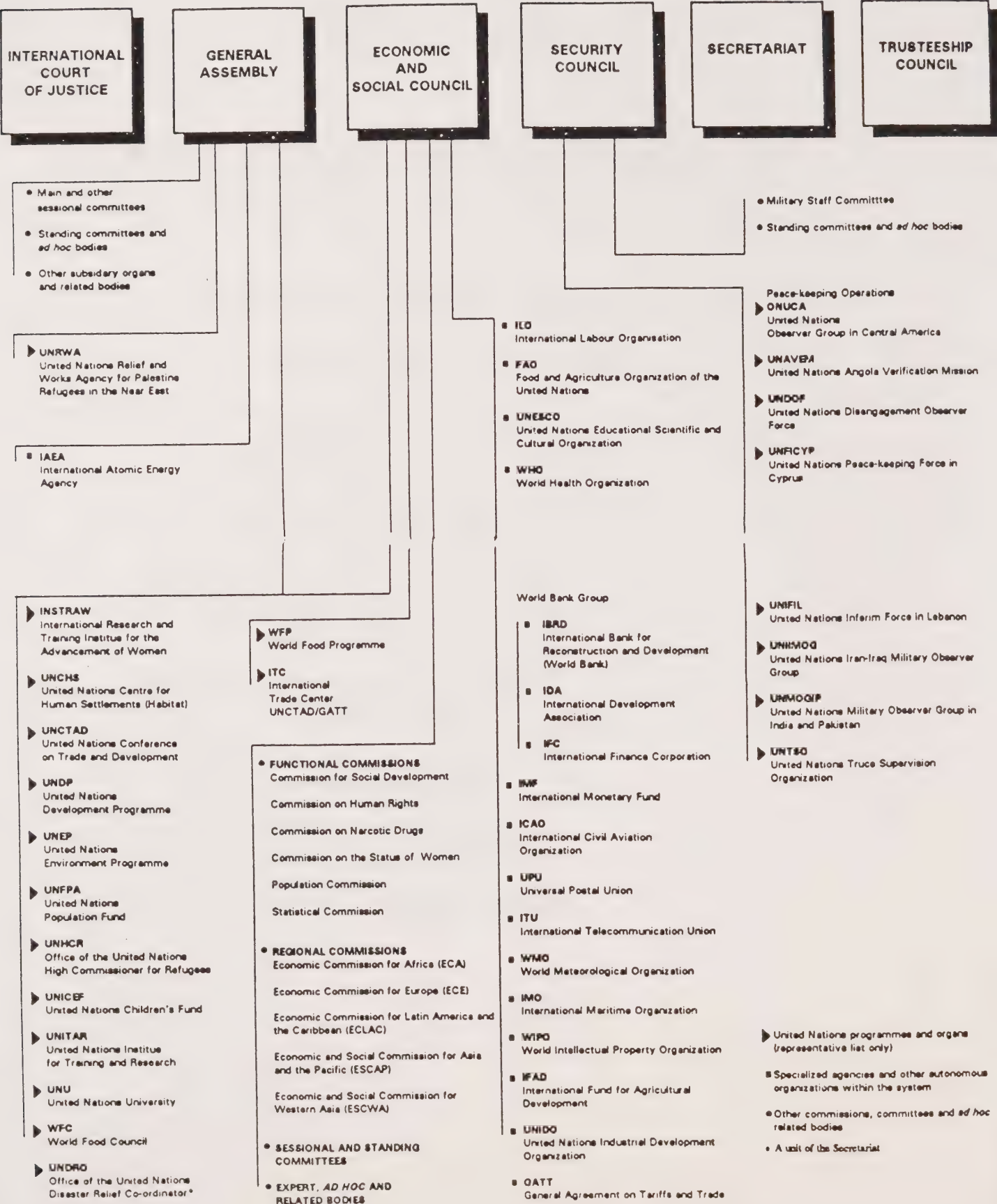
*World Health Organization/Pan American
Health Organization*

*United Nations Industrial Development
Organization*

The World Bank

THE UNITED NATIONS SYSTEM

PRINCIPAL ORGANS OF THE UNITED NATIONS



The U.N. system of organizations

The "United Nations system of organizations" covers a wide variety of units (centres, agencies, organizations, commissions, programmes, etc.) with different structures. Most were established about the time when the United Nations itself came into being, but some are considerably older. For example, the Pan American Health Organization was formed in 1902 during the first international meeting devoted to health problems in the region. Organizations within the U.N. system also vary considerably in size and activities. While there are many common principles of procurement as reviewed earlier in Chapter IV, procurement rules and procedures for each individual organization vary somewhat, reflecting institutional differences as well as differences in size, activities and years of existence.

An organizational chart illustrating the principal organs and agencies of the United Nations system is provided on the opposite page. Major organs and programs report annually to the General Assembly and the Security Council or Economic and Social Council. These organizations include:

UN	United Nations Secretariat
UNDP	United Nations Development Programme
UNFPA	United Nations Population Fund
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Programme
UNCHS	United Nations Centre for Human Settlements (Habitat)
UNICEF	United Nations Children's Fund
WFP	World Food Programme
UNHCR	Office of the U.N. High Commissioner for Refugees
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East

A number of specialized agencies were formed to provide for international action to promote economic and social progress, and report to the Economic and Social Council. They have their own legislative and executive bodies and their own budgets. The more autonomous specialized agencies include:

ILO	International Labour Organisation
FAO	Food and Agriculture Organization of the United Nations
WHO	World Health Organization
WB	World Bank
IMF	International Monetary Fund
UNIDO	United Nations Industrial Development Organization
UNESCO	United Nations Educational, Scientific & Cultural Organization
ICAO	International Civil Aviation Organization
UPU	Universal Postal Union
ITU	International Telecommunication Union
WMO	World Meteorological Organization
IMO	International Maritime Organization
WTO	World Tourism Organization
IFAD	International Fund for Agricultural Development

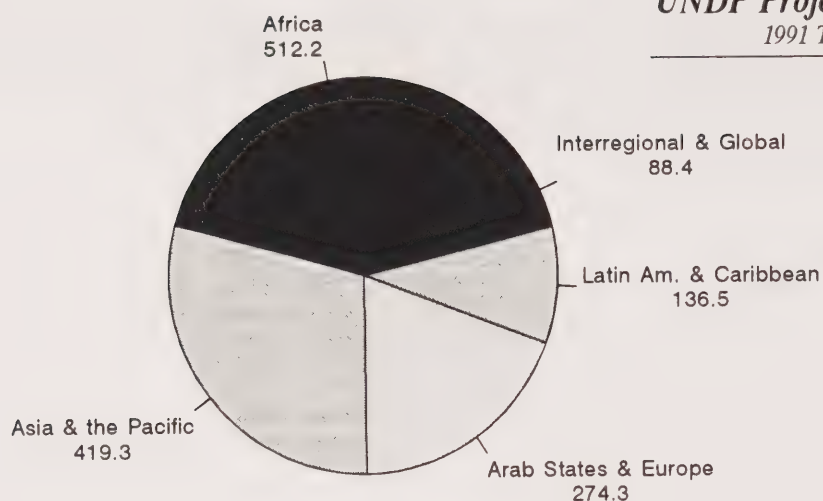
Regional development banks, although not formally part of the U.N. system, nevertheless work closely with U.N. organizations and act as executing agencies for certain development projects financed by the United Nations Development Programme (UNDP).

For a prospective supplier, the distinction between funding organizations, agencies and programs versus executing agencies is important. Funding agencies generally supply money for various initiatives, while the executing agencies are involved in project management and implementation. This distinction will be made in order to help focus your efforts.

A number of key funding and executing agencies are headquartered, have procurement budgets or liaison offices in either New York or Washington, D.C. These more easily accessible agencies will be our focus. The balance of this chapter is devoted to providing you with an overview of the agencies, what they do and how they work.

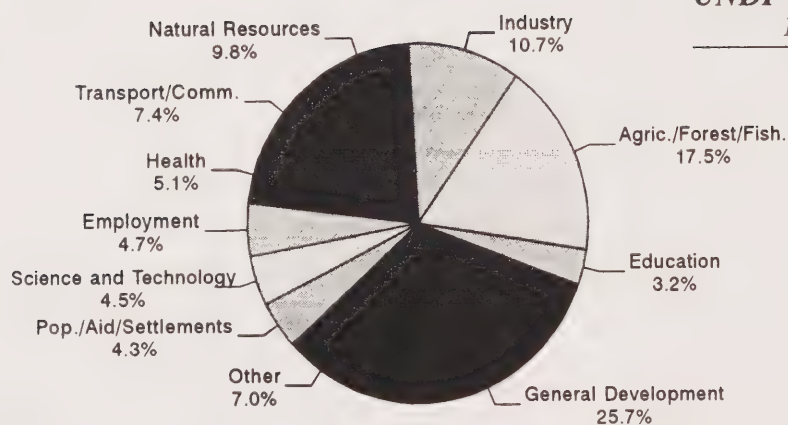
UNDP Project Expenditures by Region

1991 Total -- US\$ 1,430.7 Million



UNDP Project Expenditures by Sector

1991 Total -- US\$ 1,430.7 Million



Information on key agencies

. . . The United Nations Development Programme (UNDP)

The main funding agency of the U.N. development system is the United Nations Development Programme (UNDP). With headquarters in New York City at the United Nations Plaza, the UNDP is the world's largest channel for multilateral technical and pre-investment cooperation. The organization is currently working with 153 countries and 44 international and regional agencies, supporting over 6,000 projects in agriculture, industry, education, energy, transport, communications, public administration, health, housing, trade and many other fields -- 115 field offices are located throughout the developing world.

UNDP's resources are derived through voluntary contributions from almost all member states of the U.N. system. In 1991, UNDP received US\$ 1.4 billion in contributions -- US\$ 1.3 billion are pledged for 1992. Canada ranks as the 10th largest contributor, ahead of France and the United Kingdom.

Project expenditures in 1991 were estimated at just over US\$ 1.4 billion. The largest regional share of spending was in Africa, followed by Asia and the Pacific, the Arab States and Europe, and Latin America and the Caribbean. Nearly half of the total funds went for project personnel, 18 percent for equipment, 14 percent for training and the remainder for miscellaneous costs such as operations and maintenance of equipment. Sectors receiving the largest amount of UNDP funding in 1991 were general development (26%), agriculture, forestry and fisheries (18%), industry (11%) and natural resources (10%).

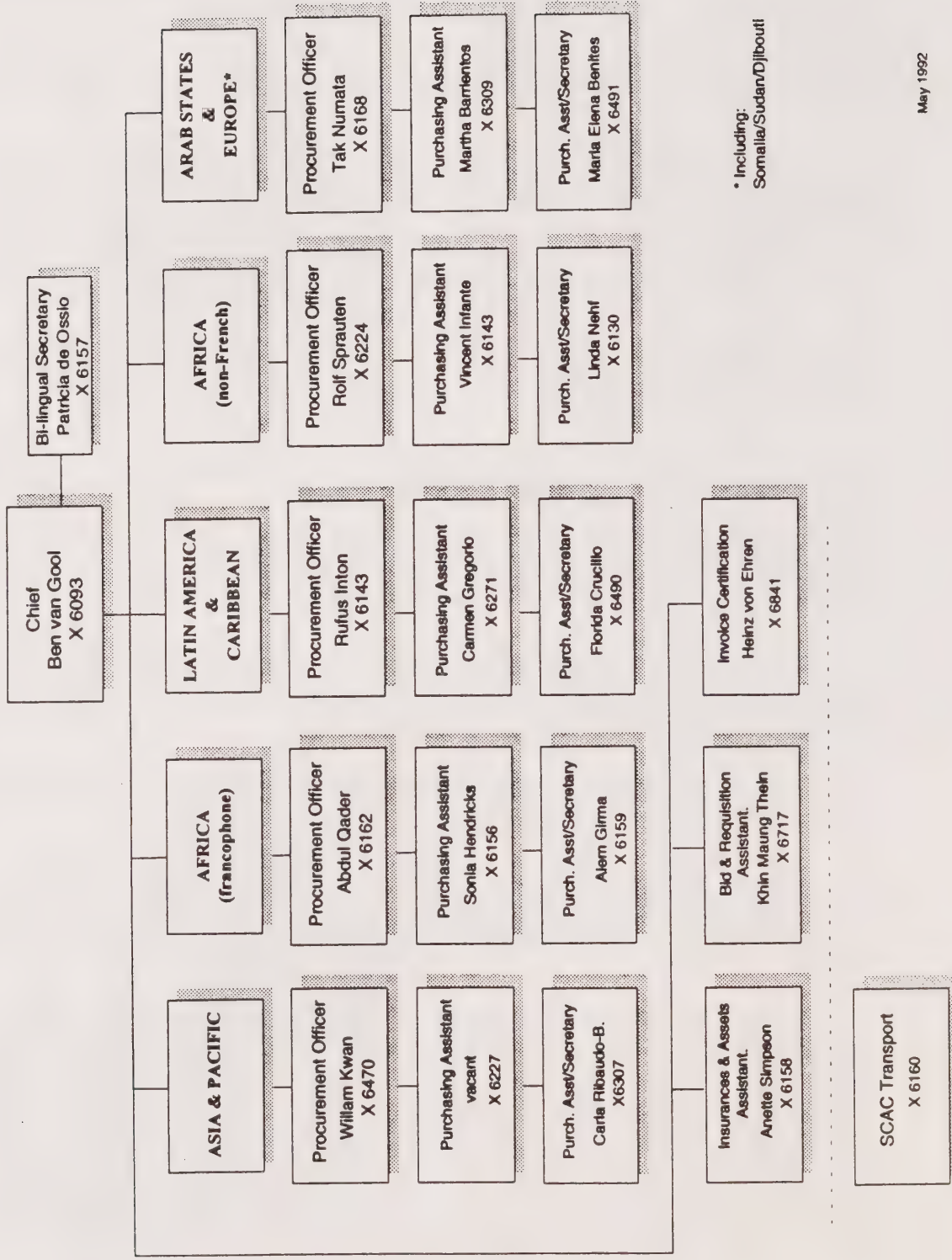
The UNDP's resources are allocated in the form of grants to countries on the basis of population, per capita gross national product (GNP), and additional criteria which favour countries facing the greatest difficulties. An indicative planning figure, or IPF, is determined for each recipient country -- this figure is the projected amount that will be available to the country for programs over a five-year period.

Over US\$ 4 million in development funds have been committed for the 1992-1996 period. Approximately 80 percent of the UNDP's assistance is devoted to countries with per capita GNP below US\$ 750.

Within limitations of the IPF, a five year plan identifying a country's needs is developed in cooperation with the country government and UNDP regional officials. The country government and UNDP field bureaus then decide what projects are required to implement the plan -- if a project is very technical, consultants may be retained by the UNDP bureau.

It is at this point that the country and funding agency identify the executing agency, i.e. the agency that will manage and oversee implementation of the project. The UNDP supports 31 executing agencies, each with a particular charter and area of expertise. About 25 percent of UNDP projects are executed through two New York based agencies, the Office for Project Services (OPS), which is the UNDP's own executing agency, and the Department of Economic and Social Development (DESD), which is part of the U.N. Secretariat. Other agencies with procurement or liaison offices in the U.S. are the United Nations Industrial Development Programme (UNIDO) which is also located in New York, and the Food and Agriculture Organization (FAO), the World Health Organization (WHO)/Pan American Health Organization (PAHO) and the World Bank which are located in Washington, D.C. These executing agencies are discussed separately below.

OPS PROCUREMENT SECTION



* Including:
Somalia/Sudan/Djibouti

May 1992

. . . Office for Project Services/UNDP

The Office for Project Services (OPS) is the in-house executing agency of the United Nations Development Programme (UNDP). OPS provides management services to development projects funded by the UNDP and its associated funds, other non-UNDP multilateral organizations, country donors, and recipient countries. These services include project management, recruitment of international and national project staff, subcontracting consulting companies and contractors, procurement of equipment and administration of training programs (because OPS considers itself the "contractor", arrangements with consultants and contractors are in their terminology "sub-contracts"). Their degree of involvement in projects ranges from full-scale project management to provision of selected services.

OPS has grown rapidly since its inception, largely because of its lean structure and professional project management approach. It has become the favoured executing agency among officials at funding agencies (who bear some responsibility to ensure funds allocated for projects are used effectively and efficiently). The traditional, specialized executing agencies tend to have big technical staffs that are lagging in approach and are less flexible -- the OPS in contrast uses more private sector experts and as such offers broader, more specialized and up to date expertise. As a result, OPS has become over-burdened with projects, and has had to introduce a more selective project acceptance policy. 1991 was a year of consolidation, restructuring and streamlining -- new projects accepted actually decreased by 10%. This has improved the situation to a limited degree.

Organization

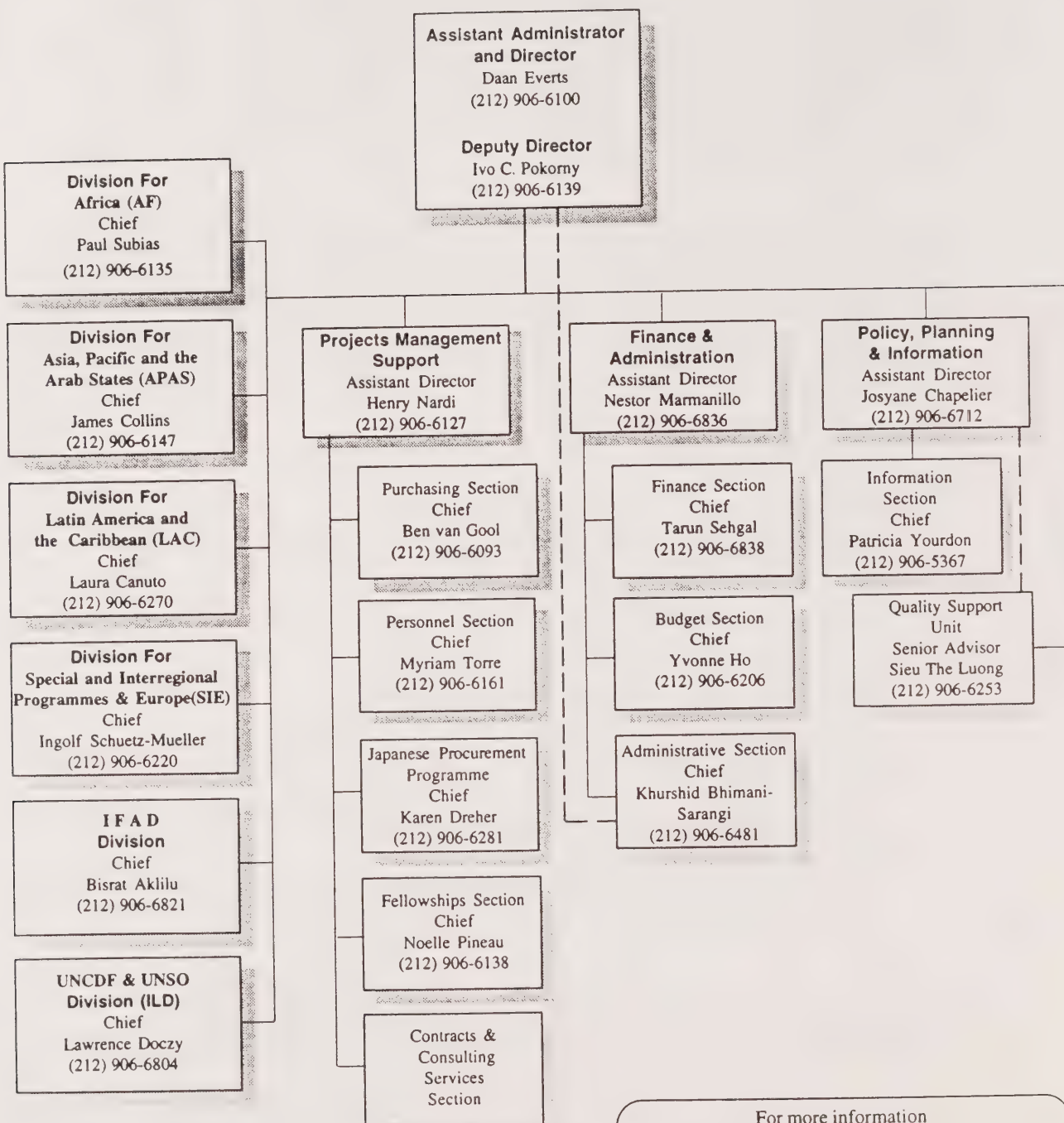
OPS is organized in a mixed structure of regional and sector-specific operations divisions:

- I Division for Africa
- II Division for Asia, the Pacific and Arab States
- III Division for Latin America and the Caribbean
- IV Division for Special/Inter-regional Programmes and Europe -- e.g. drug control, ecology
- V Division for the International Fund for Agricultural Development (IFAD) -- includes loan administration for IFAD
- VI Division for Infrastructure and Land Development (United Nations Capital Development Fund (UNCDF) and United Nations Sudano-Sahelian Office (UNSO)

When OPS is selected as the executing agency for a particular project, project management is assigned to one of the six operating divisions as appropriate. Project Management Officers (PMOs) lead the implementation of the project, including identifying required equipment and services -- they also prepare the short list of firms to be invited to bid.

Once the short list is determined, the Project Management Support division carries out the logistics of purchasing. Within Management Support are sections for procurement of equipment, goods and supplies, contractor and consulting firm services (this section also maintains a consultant roster) and procurement through the Japanese Procurement Programme, a special non-project grant aid program (\$70 million) for goods and equipment purchases untied to any particular supplier countries. The OPS Procurement Section organization is further divided along geographic lines as depicted in the section organizational chart on the following page. The personnel section of Management Support handles the hiring of individual consultants as project personnel, also on the recommendation of PMOs.

OPS ORGANIZATIONAL CHART



For more information
OFFICE FOR PROJECT SERVICES
 220 East 42nd Street
 New York, NY 10017
 Telephone (212) 906-6500
 Telex: 662 293 OPS UNDP / Telefax: (212) 906-6501

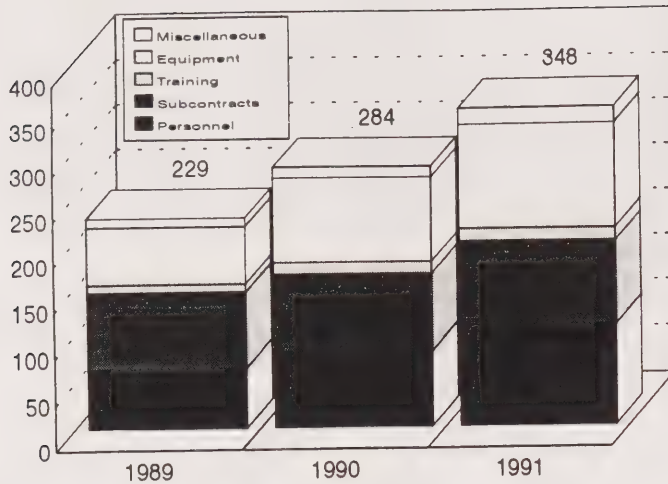
Fields of activity

OPS/UNDP fields of activity include (1) projects which do not fall directly within the area of expertise of any specialized U.N. agency; (2) inter-disciplinary and multi-purpose projects involving several agencies; (3) projects requiring specialized or advanced technology; and (4) projects under loans or grants from the development banks, bilateral donor countries or the national budget of recipient countries. OPS/UNDP fields of activity extend beyond UNDP core funded work. The table below illustrates the wide variety of projects executed by the OPS in 1991.

UNDP/OPS PROJECT EXPENDITURES AND NUMBER OF PROJECTS BY ECONOMIC SECTOR FOR 1991

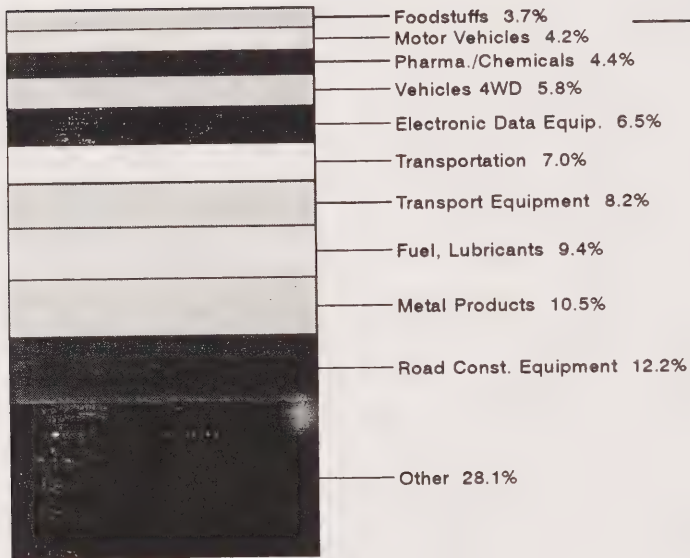
ECONOMIC SECTOR	No.	Amount US\$'000	% of Total
General Development Issues and Planning	728	\$125,388	36%
Agriculture, Forestry and Fisheries	243	49,512	14%
Int'l Trade & Development Finance	37	45,410	13%
Social Conditions	67	34,355	10%
Health	100	15,901	5%
Natural Resources	96	15,900	5%
Humanitarian Aid & Relief	70	18,478	5%
Transport & Communications	65	9,763	3%
Industry	55	9,711	3%
Science & Technology	81	7,127	2%
Education	32	5,289	2%
Employment	25	4,224	1%
Political Affairs	6	2,608	1%
Population	15	2,152	1%
Culture	11	1,771	1%
Human Settlements	11	532	< 1%
TOTAL	1,642	\$348,121	100%

US\$ Million

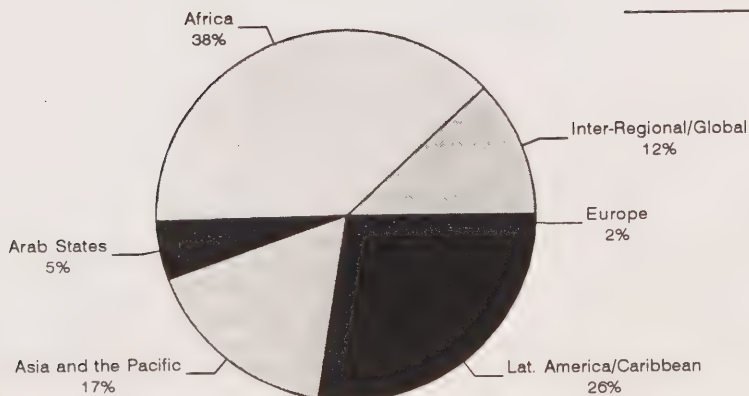


OPS Yearly Project Expenditures By Component

OPS Most Procured Items 1991 Total - US\$ 116 Million



OPS Project Expenditures by Region 1991 Total - US\$ 348 Million



Project purchases and expenditures

As the range of projects is very broad, practically any type of equipment could be required -- but construction-type equipment and machinery predominate. Equipment purchases in 1991 reached an all-time high of \$104 million. Consulting services retained include expertise in engineering and infrastructure, water supply, economic planning, technology transfer, the environment, public/private sector management, narcotics control, community development, emergency rehabilitation and agriculture.

Canada's strength has been in winning individual consultancy appointments, accounting for 6.1% of all international experts and consultants retained (ranking 4th). In value of subcontracts and equipment, Canadian companies were awarded 2.4% and 3.1% of the respective totals (ranking 4th in subcontracts and 10th in equipment).

The largest portion of expenditures in 1991 was allocated to Africa (38%), followed by Latin America and the Caribbean (26%) and Asia and the Pacific (17%).

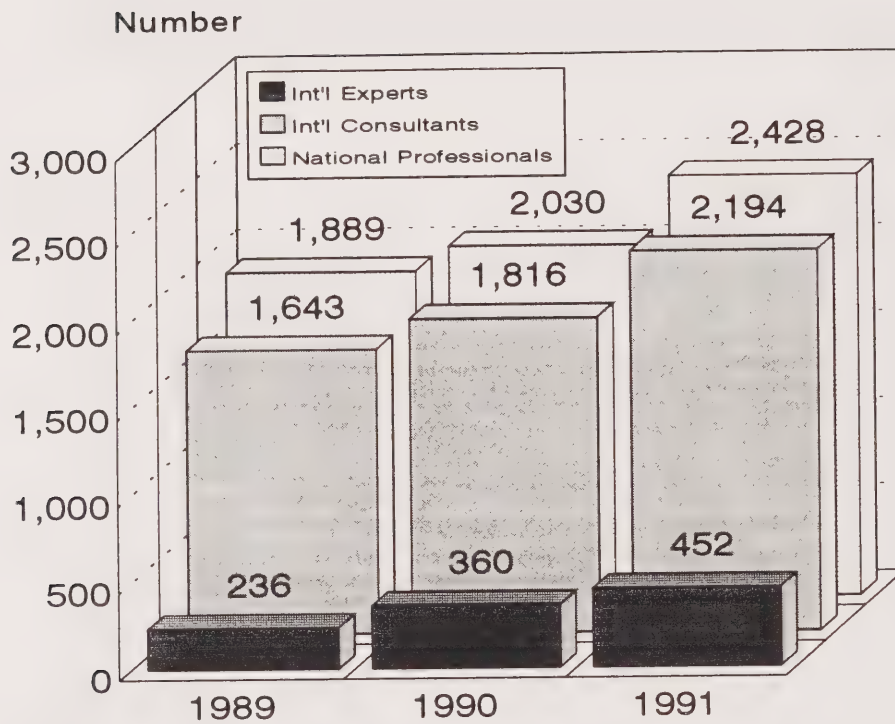
Project planning

OPS is a lean organization, with only a shell of professional managers. A limited number of technical staff are available in house to assist, but consultants are often used to help develop terms of reference and equipment requirements for a project if the manager is not knowledgeable in the project area. Consultants recruited for this purpose are most often individual experts rather than consulting firms.

As a project proceeds, OPS recruits from an extensive network of what they term national professionals, international consultants and experts for project personnel. These are basically individuals who are retained to work on specific projects -- usually for 4-6 weeks. National professionals are from the beneficiary country -- the trend is to rely as much as possible on professionals from within the developing country. The distinction between "consultants" and "experts" is mainly one of time and contractual arrangements. The consultant is more short term, normally less than six months (but up to a year) with a set fee (called honorarium) and expenses (called per diem). The expert is generally retained for one to two years and is on the U.N. payroll system, including benefits. The trend has been to retain more consultants for a shorter term.

While the preference at OPS is to use individual consultants and experts for project work, subcontracts are arranged as required with a variety of consulting organizations, including consulting firms, contractors, research institutions, government organizations, and non-government organizations (NGOs). In 1991, subcontracts were valued at \$58 million. There has been an increasing shift toward engaging the services of developing country consulting entities -- the focus of which has been NGOs.

OPS Professional Project Personnel
1989-1991 - Number Employed



Helpful contacts at OPS

Mr. Ben van Gool
Chief of Purchasing
Office for Project Services
220 East 42nd Street, 15th Floor
New York, New York 10017
(212) 906-6093/FAX (212) 906-6502

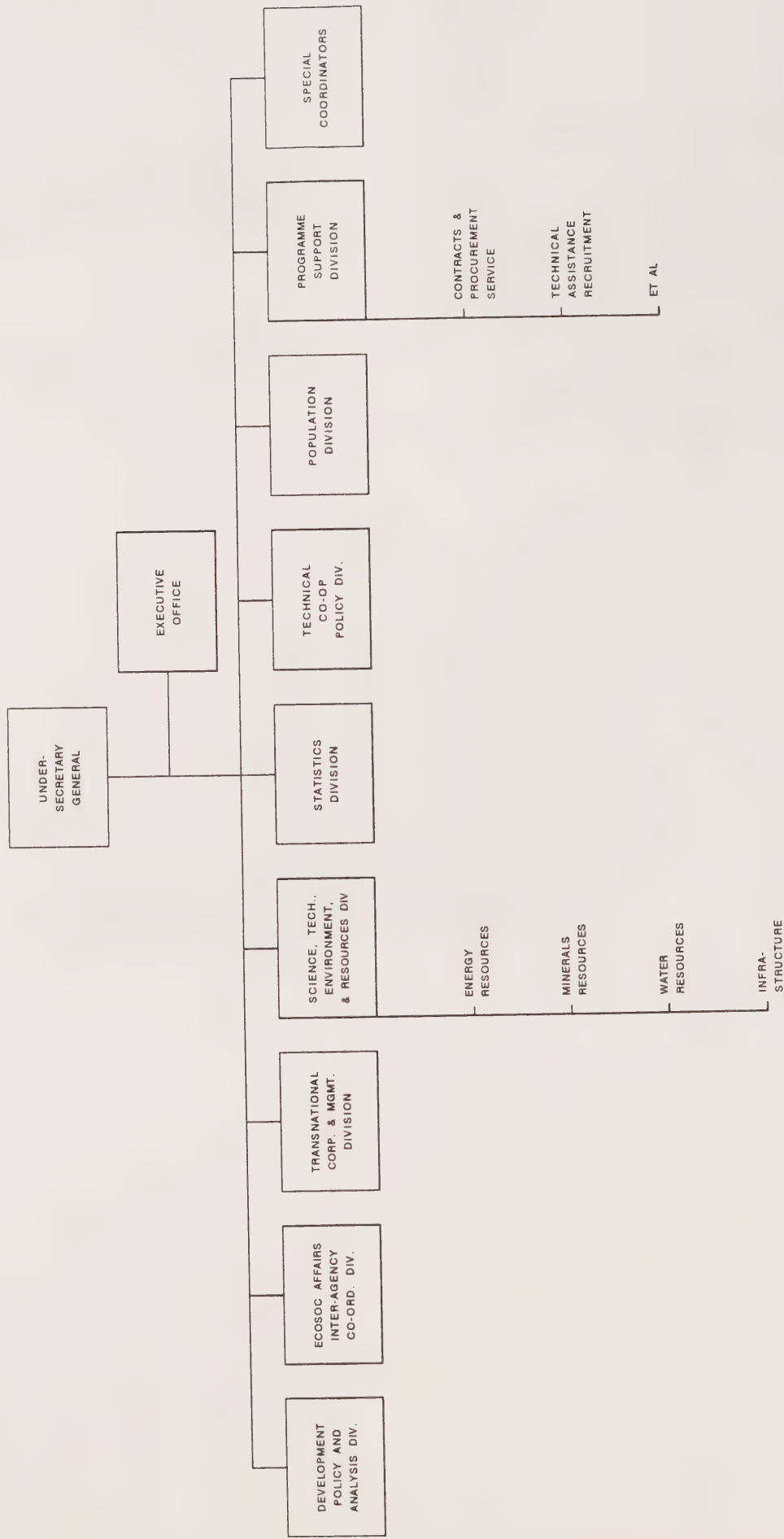
Mr. Sanjay Mathur
Contracts and Consulting
Office for Project Services
220 East 42nd Street, 15th Floor
New York, New York 10017
(212) 906-6856

*Mr. van Gool is in charge of
equipment/goods procurement and can
advise on project management contacts.*

*Mr. Mathur is in charge of
consulting arrangements and can advise
on other contacts.*

Department of Economic and Social Development

United Nations Secretariat



Effective March 1992

*. . . United Nations Secretariat
Department of Economic and Social Development (DESD)*

An executing agency in the United Nations Secretariat, the Department of Economic and Social Development (previously the Department of Technical Cooperation for Development) is the principal arm of the United Nations for technical cooperation activities. Although a department, the DESD operates much like a specialized U.N. agency, receiving funding from the United Nations Regular Budget, the UNDP, the United Nations Fund for Population Activities (UNFPA), multilateral financial institutions and other sources.

Organization

The Department's front line staff consists of well-experienced inter-regional and technical advisers who provide expertise in a wide range of fields and for specific development problems. There are basically two divisions of interest to prospective suppliers of goods and services: the Science, Technology, Environment and Resources Division, which is where the technical advisers are located and where project requirements are defined; and the Programme Support Division, which carries out the logistics of procurement and contracting of consultants. Consultants involved with macro-economic modelling and project economic analyses are also retained by the Development Policy and Analysis Division and the Statistics Division. The special coordinators for each region can provide an overview of projects (both current and planned) in their respective areas and can also be of help in identifying opportunities.

Fields of activity

DESD fields of activity focus on natural resource development and infrastructure for resource management and socio-economic infrastructure. The tables on the following pages provide examples of the range of DESD projects.

DEPARTMENT OF ECONOMIC AND SOCIAL DEVELOPMENT

FIELDS OF ACTIVITY

WATER RESOURCES

Water resources development and management
Sectoral analysis and macro-economic water planning
Surface and ground water modelling
Ground water exploration and exploitation
Rural water supply
Applied hydraulics research and coastal engineering
Dam safety and river training
Operation and maintenance of water supply installations
Water pollution control and environmental management
River basin development
Legal and institutional aspects of water resources development
Computer applications and training

MINERAL RESOURCES

Mineral policy and legislation
Mineral planning
Geological, geochemical and geophysical mineral exploration
Drilling
Evaluation of mineral deposits
Pre-feasibility and feasibility studies
Mining and processing
Marketing
Investment promotion
Institution strengthening

ENERGY RESOURCES

Energy policy, planning and information systems
Oil, gas and coal exploration, and development
Investment promotion and legislation
Power sector planning, management and rehabilitation
Energy conservation
Geothermal resource assessment and development
Solar, wind and biomass demonstration projects
Small-scale hydropower development

INFRASTRUCTURE

Public works
Cartography
Remote sensing

DEVELOPMENT PLANNING

Macroeconomic analysis and forecasting
National, multinational socio-economic development strategies and policies
National, sub-national and multinational development plans and programs
Public investment programs
Advisory services to Governments on coordination of international assistance
Integrated rural and community development programs

**DEPARTMENT OF ECONOMIC AND SOCIAL DEVELOPMENT
FIELDS OF ACTIVITY**

PUBLIC ADMINISTRATION

Public policy analysis and development
Organization and management improvement
Civil service systems and processes
Strengthening machinery of government
Training systems
Human resource planning and development
Administrative planning and reform
Improvement of local and regional administration
Management and computerization of government information systems

PUBLIC FINANCIAL AND ENTERPRISE MANAGEMENT

Government budgeting and financial management
Resource mobilization and tax administration
Government accounting and auditing
Public enterprise performance improvement and management
Management of financial institutions

POPULATION

Population and demographic training
Population dynamics
Population policy and development training

STATISTICS

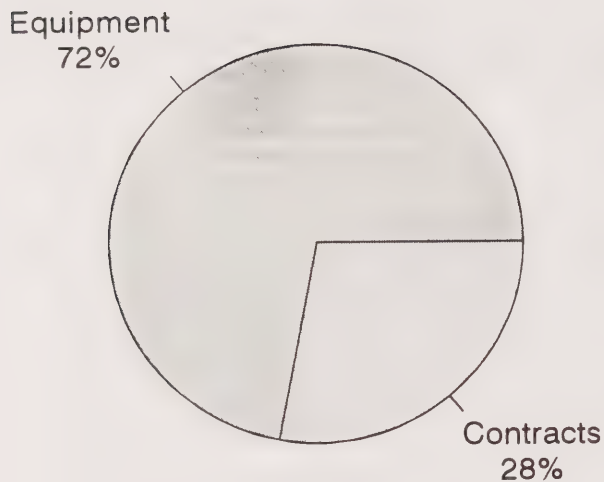
General statistical organization
Population and housing censuses
National household survey programs
Statistical data processing and informatics
Statistical methods and sampling
Economic statistics, including national accounts
Industrial, trade environmental and energy statistics
Demographic and social statistics
Social indicators
Statistics and indicators on women
Data on the disabled and other specific population groups

SOCIAL DEVELOPMENT

Social integration and welfare
Disability
Social groups such as youth and the aged
Women in development
Strengthening of social institutions
Crime prevention and criminal justice
Social dimensions of adjustment

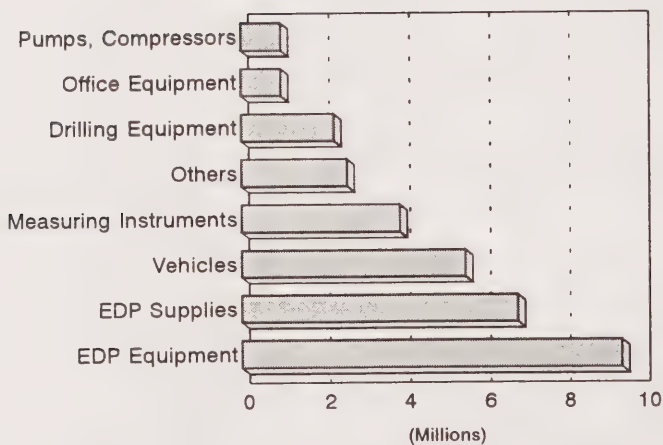
DESD Procurement

1991 Total - US\$ 45 Million



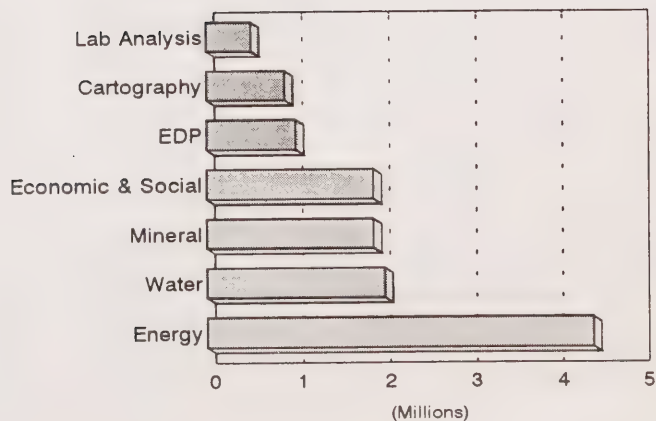
DESD Equipment Purchased

1991 Total - US\$ 32.7 Million



DESD Contracts Awarded

1991 Total - US\$ 12.7 Million



Project purchases and expenditures

Equipment procured for DESD projects covers a wide range of manufacturing fields, including electronic and scientific instruments, laboratory apparatus and supplies, vehicles, camping equipment, office equipment and supplies, cartographic equipment and supplies, computer equipment and requisite un-interrupted power supplies, geophysical survey equipment, drilling equipment, photo-voltaic and wind power equipment, and remote sensing equipment. The scope of contractual services covers the same fields of activities.

In 1991, equipment purchases totalled US\$ 33 million, with US\$ 13 million in contracts awarded. At DESD, the term "purchases" refers to equipment and supplies procured, whereas "contracts" refers to contractual arrangements for services. The figure for contracts does not include individual experts retained by the Department -- which in 1989 amounted to over \$80 million, nearly double the amount spent on equipment and contracts together.

The vast majority (88%) of DESD purchase orders and contracts are for less than \$20,000 with 94% under \$50,000, and 97% under \$100,000. In 1991, the average value was \$10,580 for purchase orders and \$69,583 for service contracts. The majority of DESD expenditures are allocated to African countries, followed by Asia and the Pacific, Arab States, the Americas and Europe.

Top ten supplier countries in 1991 are listed below. Although Canada ranks fourth, our share of contracts awarded (7%) is slightly higher than our share of equipment purchases (5%).

TOP TEN COUNTRIES BY COUNTRY OF SUPPLY - 1991 DESD/Contracts and Procurement Service (US\$'000)

	<u>Country</u>	<u>Equipment and Contracts</u>
1.	USA (1)	10,592.7
2.	United Kingdom (2)	3,571.3
3.	China (7)	3,350.0
4.	Canada (5)	2,549.8
5.	Japan (3)	2,221.1
6.	France (4)	2,045.9
7.	Norway (-)	1,289.2
8.	Germany (9)	922.7
9.	Madagascar (-)	829.7
10.	Mozambique (-)	810.0
TOTAL Top Ten Countries		28,182.4

NOTE: The corresponding ranking in 1990 is shown in brackets after the name of each country. The marking (-) indicates that the particular country was not ranked among the first ten countries in 1990.

These figures do not include individual consultants.

Competitive considerations

DESD attempts to select the very best and most experienced suppliers, contractors and consultants. It is not a training ground for entry level consultants or suppliers. Technologies and methods applied are normally time tested. DESD (and the U.N. in general) also tends to stay away from leading edge technologies -- the view being that international assistance is not an appropriate place to test new technologies or methods.

Although DESD covers a wide range of activities, budgets are very limited and are stretched to the utmost. Therefore, there is a great deal of pressure to secure competitive bids and pricing. Travel budgets of staff members are limited and technical specialists have a difficult time keeping up with their professions. They tend to rely on visits and presentations by suppliers, contractors and consultants to keep abreast of new developments in their respective fields. Suppliers who are helpful in this regard tend to improve their chances of getting DESD business.

Helpful contacts at DESD

Mr. Sigurdur Jonsson
Chief, Contracts and
Procurement Service/DESD
One UN Plaza, DC1-1518
New York, New York 10017
(212) 963-8947
FAX (212) 963-8941

Mr. Jonsson is in charge of contracts and procurement and can also offer advice on project management contacts.

Mr. Demetrios Argyriades
Chief, DESD/Technical Assistance
Recruitment and Administration
One UN Plaza
New York, New York 10017
(212) 963-6418

Mr. Argyriades is in charge of recruiting individual expert consultants for project work (< 2 months to one year assignments).

*. . . United Nations Secretariat
Office of General Services (OGS)
Commercial, Purchase and Transportation Service (CPTS)*

This is a rather lengthy title for an organization that basically functions for the U.N. as our own Supply and Services does for the Government of Canada. The OGS/CPTS, located at U.N. Plaza in New York, is in charge of procurement for the United Nations New York Headquarters, for the regular program activities of the Regional Economic Commissions and, from time to time, other organizations in the U.N. system, including disaster relief activities and other special assistance programs. This unit also does purchasing for U.N. income-generating commercial operations such as the U.N. gift center, news-stand and catering services.

A special responsibility of CPTS is that of procurement for the United Nations peace-keeping Missions -- two major initiatives are in Yugoslavia and Cambodia. Generally, peace-keepers' home countries provide for their personal effects (uniform, underclothing, etc.), while the UN provides for common equipment and supplies.

Purchases

CPTS procurement of equipment, supplies and services in 1991 amounted to US\$ 241 million. Dollar value of other procurement areas include shipping (US\$ 6 million), travel agency payments (US\$ 15 million) and freight forwarding (US\$ 7 million).

Typical equipment and services procured include vehicles, office furniture, office machines and supplies, computer hardware and software, communications equipment, building and construction equipment, foodstuffs, pharmaceutical supplies and medicines, photocopying equipment and supplies, United Nations postal requirements, leases and contracting services for maintenance, and air and sea charters. CPTS also handles contracting for consultants and professional services for all purposes other than technical cooperation activities of the U.N. -- this would mostly include management studies, communications and computer work.

The CPTS handles about 6,000 purchase orders a year, most of which are small.

Competitive considerations

CPTS business is highly competitive. Rosters are maintained for both consultants and vendors (equipment/supplies) -- each contains thousands of firms. Because rosters are so long and the purchasing task so large, purchasing officers at CPTS do not have time to meet with every firm -- in fact they try to avoid meetings.

It is suggested that interested vendors begin by writing to express their interest in doing business with CPTS, including a promotional package describing the company's products or services. It is helpful to include references. If CPTS determines that the product or service is interesting to them, they will send you an application to get listed on the roster. Firms are purged from the roster if they are invited to bid three times and they do not respond.

Special temporary data banks and rosters are set up specifically for each peace keeping mission. These data banks have a limited duration -- and procedures are less formal. It is necessary only to write to express an interest in supplying the mission and provide information on products/services offered. These special data banks are used by field office procurement in combination with catalogues and the main vendor lists.

In spite of the obstacles, it is important to develop a more personal relationship with purchasing officers by meeting them in person, if possible, or at least by telephone (it is possible to do business with CPTS without ever visiting New York). Because there are human limitations to selecting suppliers for the short list from extensive rosters, individual purchasing officers tend to keep their own list of preferred suppliers which they use over and over. This is the only way they can possibly manage their jobs within a reasonable time schedule. If the purchasing officers have found the product information you sent to be of interest, you will have a good chance of getting an appointment.

Canada ranked eleventh as a supply source for CPTS in 1991 -- it appears that we will do slightly better in 1992. CPTS often works with the Canadian Commercial Corporation (CCC) to seek Canadian suppliers (the CCC is discussed later under Section VI, "Where to Find Assistance").

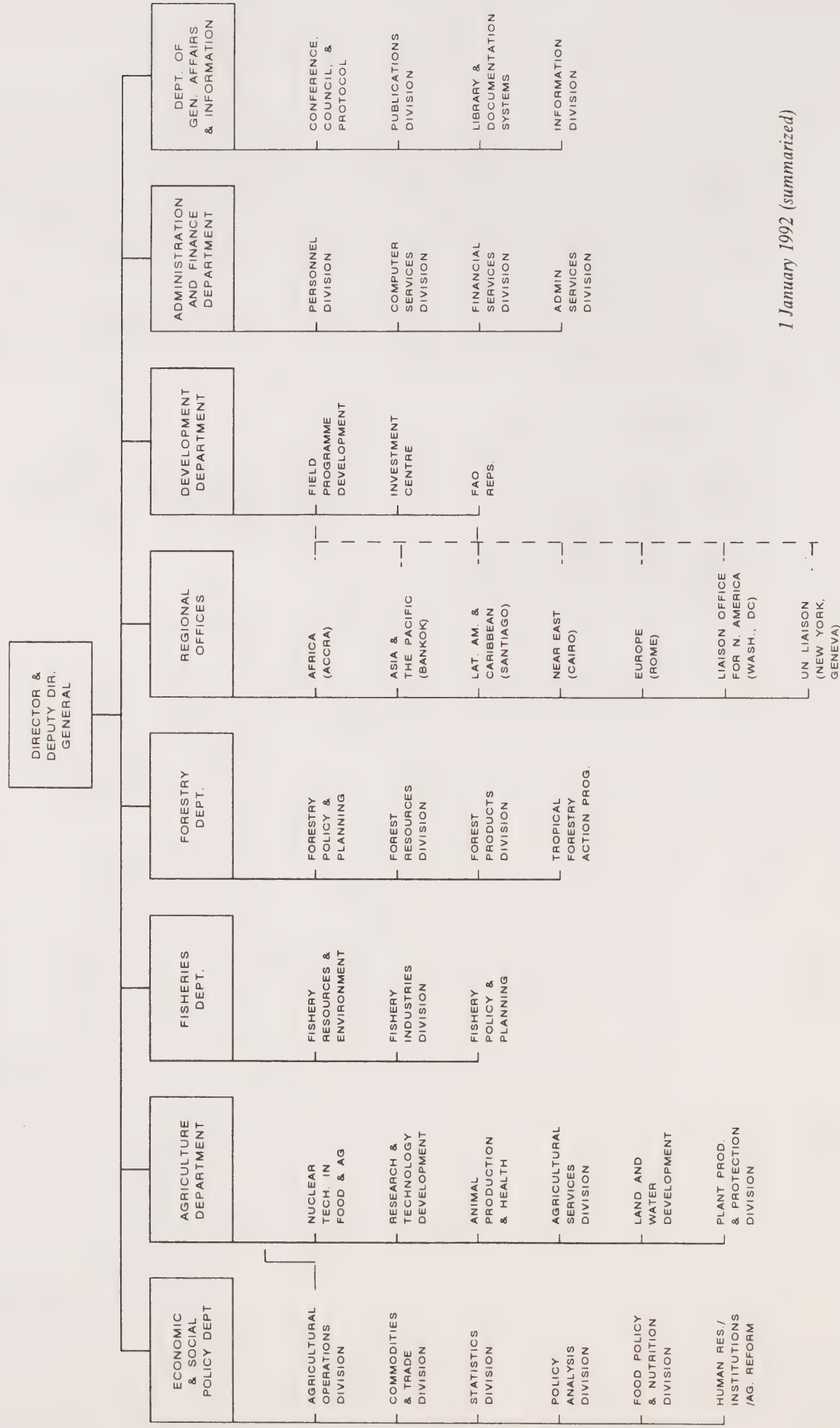
A helpful contact at CPTS

Mr. Allan B. Robertson
Chief
Commercial, Purchase and
Transportation Service
United Nations, Room S-2149A
New York, New York 10017
(212) 963-6225/FAX (212) 963-2180

Mr. Robertson is head of CPTS and can advise and direct you to the appropriate purchasing officers in his department.

Food and Agriculture Organization of the U.N.

Organization Chart



1 January 1992 (summarized)

. . . Food and Agriculture Organization of the U.N. (FAO)

The Food and Agriculture Organization of the United Nations was founded in 1945, with the vision of raising levels of nutrition and standards of living; to improve production, processing, marketing and distribution of all food and agricultural products from farms, forests and fisheries; to promote rural development and improve the living conditions of rural populations; and, through these means, to eliminate hunger. Areas of emphasis reflect recent U.N. General Assembly resolutions -- these are Technical Cooperation Among Developing Countries (TCDC), Women in Development (WID) and cooperation with non-governmental organizations (NGOs). In addition, FAO's stated goal is to focus more attention on environmental protection and the promotion of sustainable development in agriculture, forestry and fisheries, especially at the project design stage.

Organization

FAO headquarters is located in Rome, with five regional offices, a U.N. Liaison Office in New York and a North American Liaison Office in Washington, D.C. The Washington, D.C. office is responsible for carrying out a wide range of administrative support functions in North America, including recruitment, consultancy appointment, purchasing and contracts. Its mandate includes assisting FAO Headquarters in maintaining communication and cooperation between FAO and North American governments and public (including businesses), and can be helpful to prospective suppliers in making connections in Rome (identifying the appropriate people, scheduling appointments, relaying information, etc.).

In carrying out its mission, FAO divides its operations by the three main industry sectors, Agriculture, Fisheries and Forestry, with a separate department for economic and social policy. There is also a network of 74 FAO local representations serving 106 developing countries. These offices have taken on a progressively expanded role in providing direct advice to beneficiary governments' agricultural, forestry and fisheries ministries, and in handling and administering field programs -- projects are often initiated by local officers. Plans are to strengthen these country offices and to delegate more authority to the field.

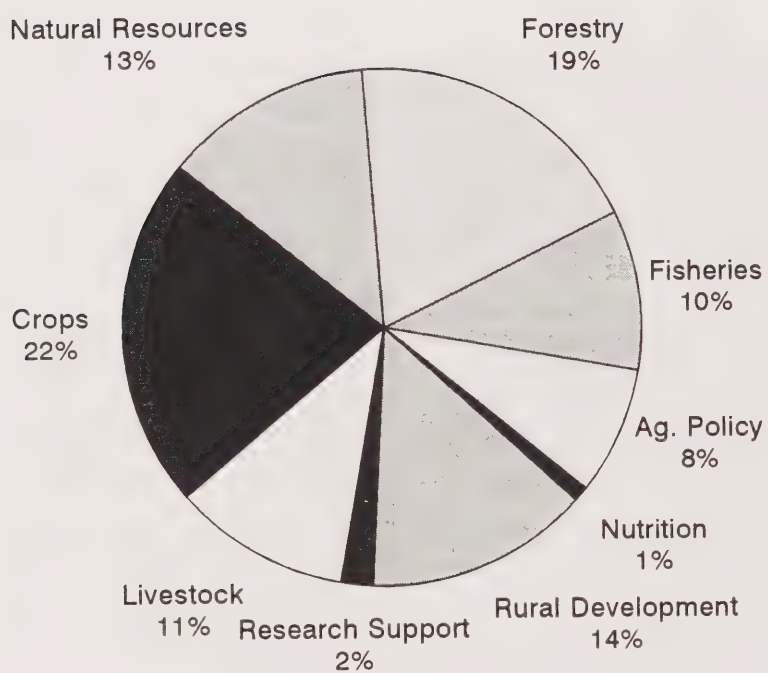
FAO has been described as a sluggish organization that of necessity is attempting to undergo change. Because it is one of the older U.N. organizations, it has an accumulated bureaucracy that creates a degree of inertia. Originally, FAO was staffed with teams of technical specialists with the idea that these professionals could provide most services that were required from in house. When a project required specialized skills or knowledge, experts were hired for one to two years or more as needed. Although there is greater reliance on short term consultants, the organization is still burdened with its own large technical staff.

Fields of activity

The chart and table on the following pages provide some example of the types of activities in which FAO is involved. Most of FAO field activities are devoted to the improvement of crop production, particularly food crops. The relative share of such work, however, has declined from about 28% in the mid-1980's to 22% in 1990. The second largest category of field projects during 1990 was in the development of forestry-related activities. Forestry's share rose to 19% from 12% five years earlier. Projects addressing rural development issues were the third largest category at 14%; fisheries programs amounted to about 10% of field project expenditures. Planning and policy work has become more important under all technical and economic programs.

FAO Program Distribution

1990-91 Total Allocations - US \$2.2 billion



FOOD AND AGRICULTURE ORGANIZATION OF THE U.N. FIELDS OF ACTIVITY

AGRICULTURE

Crop Development and Improvement - strengthening production of basic field food crops, horticultural crops and industrial crops through direct advice, training, adaptive and applied research and experimentation for such crops as rice, wheat and coarse grains like corn, millet, sorghum, fruit, trees, vegetables, oil palm, cotton, sesame and sunflower. Special attention has been given recently to pulses and legumes.

Plant biotechnology -- including **Seed Development** and **Plant Genetic Resources**

Plant Protection -- development and implementation of programs on Integrated Pest Management and the International Code of Conduct on the Distribution and Use of Pesticides

Farming Systems Analysis -- emphasis on introducing an integrated approach focused on farm-household-environment systems

Agricultural Engineering -- farm mechanization, agricultural structures and storage, rehabilitation programs for agricultural machinery

Prevention of Food Losses -- technical interventions connected with durable grain crops, also increasing emphasis on roots and tubers

Agro-Industries -- processing of fruits and vegetables, cereals, oilseeds, roots and tubers, cash crops (e.g. coffee and cashews), apiculture, sericulture, other natural fibres, animal by-products, agricultural and agro-industrial wastes. Special emphasis has been placed on agro-industrial treatment, introducing value-added activities at the small farmer level, and application of biotechnology to improve traditional processing technologies where appropriate.

Marketing -- improving agricultural marketing and pricing, market planning, improved management and operations of marketing agencies, specialized technical areas (e.g. horticulture marketing, seed marketing, livestock marketing) and marketing information services

Rural Finance -- policy aspects relating to Structural Adjustment Programmes and financial reforms, mobilization of rural savings, making financial services available in rural areas, securing the viability of rural financial intermediaries, and computerization to lower rural banking costs.

Livestock Development -- concentrates on efficient utilization of animal and feed resources. Activities include buffalo husbandry and breeding (Asia), small animal development, improved utilization of **Animal Genetic Resources** (esp. artificial insemination and embryo transfer) and **Feed Resources** including the use of crop residues and agro-industrial by-products.

Animal Health -- campaign against major contagious livestock diseases

Dairy Development -- oriented towards contributing to rural development, mostly milk processing

Meat Development -- establishment of small-scale modular slaughterhouses

FOOD AND AGRICULTURE ORGANIZATION OF THE U.N. FIELDS OF ACTIVITY

(continued)

AGRICULTURE (continued)

Soil Resources, Management and Conservation -- mapping and evaluating land resources, upgrading soil laboratories, basic land resource surveys, introducing new approaches to soil conservation and land rehabilitation.

Irrigation -- concentrated in Africa, mostly large scale projects including irrigation development, institution-building and related training.

Fertilizer Programme -- aimed at servicing the small food crop producer; emphasis is on the use of organic and biological sources with mineral fertilizers

Integrated Plant Nutrition Systems -- network of field trials to assess sulphur deficiencies and means for amelioration

Research and Development -- including **Nuclear Techniques in Food and Agriculture** (food irradiation)

Environment and Sustainable Development

Remote Sensing and Agrometeorology -- including training in techniques. Also for applications in fisheries and forestry. Cooperation with the European Space Agency in the development of a satellite based telecommunication system for the transmission of remote sensing information

Energy -- promotion of specific technologies such as alcohol from biomass, biogas, solar greenhouses and gasification; assessment and planning for energy needs in rural development

Planning Assistance and Policy Advice and related training

Food Security -- managing food information and early warning systems, policy and planning, food reserve management

Food Control and Standards

Agricultural Statistics

FOOD AND AGRICULTURE ORGANIZATION OF THE U.N.
FIELDS OF ACTIVITY
(continued)

FORESTRY:

Role of forestry in rural development

Integrated forestry development -- increases in projects dealing with conservation, watershed management, community forestry development and wood energy development

Environmental conservation and protection -- including desertification control

Forestry policy development

Investment planning and preparation

Forestry research and extension

Tropical Forestry Action Plan -- planning and implementation of the

FISHERIES:

International cooperation plans for management and development of fisheries resources

Aquaculture development

Fish marketing and trade information services

Integrated development of small-scale fisheries (Bay of Bengal, West Africa and the Red Sea)

Advisory services in fisheries planning, managements and legislation

Training -- especially in fish stock assessment, fish processing and quality control

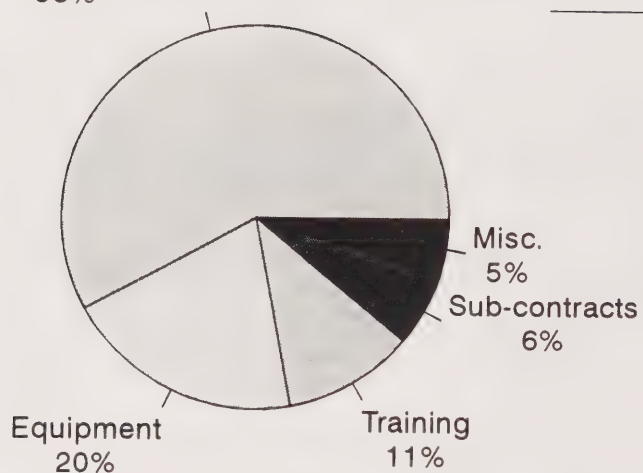
RURAL DEVELOPMENT

Education, training and extension relating to small farmers, rural poor, youth and women

Agrarian Reform and Land Settlement -- assisting governments in agrarian reform plans

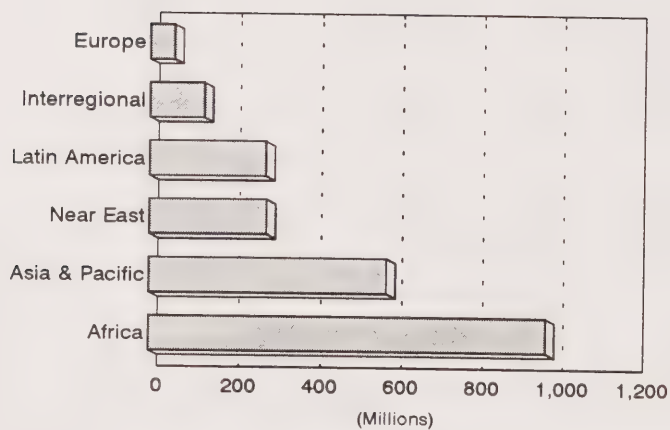
Support of agricultural cooperatives -- aimed at involving small farmers, rural women and youth

Experts/Consultants
58%



FAO Project Expenditures

Main Components in 1990



FAO Programs by Region

1990-91 Total Allocations - US\$ 2.2 billion

Project funding, purchases and expenditures

FAO budget cycles are in two year increments -- they are currently working under the 1992-3 budget. By far the single most important source of funding for FAO's technical cooperation is the UNDP. It is worth noting that UNDP support of FAO has been declining relative to UNDP overall expenditures in the last several planning periods. A variety of Trust Funds together now contribute an amount roughly equivalent to the UNDP contribution. FAO also has dedicated a small amount of program funding from its own regular budget (from assessments of member countries) -- this money is accounted for separately under the Technical Cooperation Program.

The regular program budget for 1992-3 (2 years) has been set at US\$ 676 million -- most of which is for staff. In 1990, personnel (individual consultants and experts) accounted for the largest share of project expenditures (58%) -- it is here that the greatest opportunity within FAO lies for Atlantic Canadians. Equipment was a far second (20%), and sub-contracts with consulting firms and contractors accounted for 6% of project expenditures. The training component accounted for about 11%, but has been a growing part of UNDP funded expenditures.

There has been a shift in the personnel component of FAO's field projects towards shorter, more specialized assistance. In the last ten years the number of resident professional experts on long-term contracts declined from about 1800 to 1000, while the number of short-term experts and consultants has more than doubled in the same period to over 800. Emphasis continues to be on recruiting individuals rather than companies. FAO maintains a roster of consultants in Rome (to which Washington has access). Company names are kept on the roster for two years. If during that time no business materializes, the company is taken off the roster. Although the roster is used to select names for shortlisting, personal contacts are most important.

The largest percentage of FAO project expenditures allocated in 1990-91 were dedicated to Africa (42%), followed by Asia/Pacific (22%) and the Near East (16%). These budgets have been relatively stable for the past several years.

Project planning and purchasing

When a project comes to FAO as the executing agency, it is normally assigned to a country officer at headquarters, in cooperation with a committee of colleagues from the appropriate technical areas. Together they determine requirements and come up with a short list of individual consultants to be hired and equipment and supplies to be procured. By the time project requirements reach the purchasing officer's desk in either Rome or Washington, decisions on which individual consultants or suppliers are on the short list have already been made. Thus, it is necessary to maintain contact not only with FAO/Washington, but with appropriate technical people and regional officers in Rome as well.

Procurement of equipment and supplies is often delegated down to the field level, making marketing very difficult for most companies. Also, the orientation tends to favour Europe due to old colonial ties and cultural influence with regard to the way things are done. Project managers (located in Rome or regionally) can buy up to \$25,000 before they must seek tenders -- since equipment orders are normally small and diverse, relatively few ever go to tender. The major tender items are fertilizers and chemicals.

A serious weakness which FAO is trying to overcome is that nearly half of projects evaluated were judged to be not sustainable after project completion. The organization is attempting to build in improvements in project design to take into account factors that influence sustainability. Examples of why projects have not been sustainable include

- nonexistent, weak or wrong institutional setting
- economically viability not achieved
- no market
- maintenance of infrastructure/equipment not assured
- financial support of beneficiary government lacking
- research results incomplete/technology not yet transferable
- insufficient or unskilled technical staff/extension structures
- production practices not adapted to local resources
- not enough local participation obtained

Competitive considerations

Head office contacts are important in building relationships, as are international conferences and workshops (especially U.N. sponsored). It appears some of the most effective "selling" takes place at these meetings. In general, the FAO network of suppliers and consultants is tight and a considerable number of retired or ex-FAO employees are hired -- so much so that FAO has established a loose limit on how much FAO can hire a particular retiree.

For individual consulting assignments, competition with individuals from developing countries is keen. The share of internationally recruited experts from developing countries is well over half. The Washington office recruits about 300-400 individual consultants annually from North America -- many are computer specialists. About 15-20% of those recruited from Washington are Canadian, a number of whom are forestry consultants from B.C. FAO's forestry division in Rome was headed by a Canadian until just recently.

Canada has been a relatively small supplier of equipment. Firms seeking to sell goods or equipment are encouraged to write to the appropriate technical, country and procurement people in Rome as well as Washington indicating their interest and providing information on products.

A helpful contact at FAO

Mr. Dennis Brydges
Executive Officer
Food and Agriculture Organization
of the United Nations
Liaison Office for North America
1001 22nd St., N.W., Suite 300
Washington, D.C. 20437
(202) 653-2398

*Mr. Brydges is in charge of procurement
from North American suppliers and can
assist in making contacts at FAO
headquarters in Rome.*

. . . World Health Organization and Pan American Health Organization (PAHO)

The Pan American Health Organization, headquartered in Washington D.C., is also the Regional Office for the World Health Organization (headquarters in Geneva). As such, it is part of the U.N. system of specialized agencies. Most WHO initiatives for the Americas are administered by PAHO -- PAHO is also responsible for execution of projects in the region for the United Nations Children's Fund (UNICEF). The organization also functions as the specialized agency for health for the Organization of American States (OAS).

The stated purposes of PAHO are to promote and coordinate the efforts of countries of the Americas to combat disease, lengthen life and promote physical and mental health of the people. Towards these goals, PAHO works closely with member countries' ministries of health, social security agencies, and other national institutions in the health, education, environment and agriculture sectors -- collaborating with member governments in the planning and implementation of technical cooperation activities through its network of 26 country offices and several regional offices.

Fields of activity

PAHO's technical cooperation programs are generally divided into two major areas: health systems infrastructure and health programs development. The tables on the following pages list examples of projects included under each area.

Project Purchasing

PAHO's 1990 purchases totalled US\$ 29 million (excluding individual consultants). Of this amount, acquisitions on behalf of Member Governments amounted to \$12 million. Purchases of goods and services for PAHO/WHO funded projects totalled US\$ 17 million. In addition, PAHO provides source and price information to Member Governments on a wide range of commodities.

The largest purchases are for vaccines, pharmaceuticals and medical supplies and equipment for medical and human assistance programs (e.g. hospital equipment and supplies, syringes and needles, chemicals, diagnostic reagents, cold chain equipment, insecticides, sprayers, environmental test equipment). Most laboratory supplies are purchased from U.S. firms with large catalogues on which special discounts are negotiated. PAHO also purchases vehicles, office equipment and supplies, computers and audio visual equipment.

Purchasing logistics are handled by the procurement office, where responsibilities are divided into three units -- medical items, non-medical items (e.g. vehicles, computers) and vaccines and pharmaceuticals. Central procurement purchases supplies, equipment and services for internal use, field offices and projects, as well as for Member Governments on a reimbursable basis.

There is no formal procedure for supplier or consultant registration -- although lists are kept of active suppliers, there is presently no real listing of potential suppliers (there are plans to set up a computerized supplier system similar to other UN organizations in the near future). Interested firms are requested to send catalogues, technical literature, product lists, price lists, etc. to appropriate technical staff who maintain their own personal lists as well as to the Procurement Department. The Chief of Purchasing is currently a Canadian and can be very helpful in assisting firms to make the right contacts.

PAN AMERICAN HEALTH ORGANIZATION FIELDS OF ACTIVITY

HEALTH PROGRAMS DEVELOPMENT

Maternal and Child Health and Family Planning -- programs for monitoring growth and development, immunization campaigns for children (including measles, poliomyelitis, diphtheria, whooping cough, tetanus and tuberculosis); prevention of childhood mortality from diarrheal diseases and acute respiratory infections.

Health of Adults -- prevention and control of chronic noncommunicable diseases and health problems including cardiovascular diseases, cancer, diabetes, mental health, drug abuse and alcohol addiction, prevention and control of smoking, blindness prevention, health problems of the elderly and accident prevention and rehabilitation. A major thrust is to encourage lifestyle changes which lead to health improvements.

Environmental Health -- works to provide safe drinking water and basic sanitation services; to solve solid waste management problems, reduce environmental contamination, disseminates information on environmental health, and helps countries train personnel in environmental protection; also deals with occupational health problems.

Food and Nutrition -- programs to improve food availability and consumption; to reduce protein-energy malnutrition, deficiencies of specific nutrients such as vitamin A, iodine and iron (particularly in young children and other vulnerable groups), obesity and chronic noncommunicable diseases associated with diet.

Communicable Diseases -- program collaborates with Member Countries to prevent and control major communicable diseases: vector-borne diseases (especially malaria, dengue and arbo-viruses) and other communicable diseases such as hepatitis, encephalitis, leprosy, and tuberculosis; provides technical cooperation to control epidemic outbreaks including consultation, aerial fumigation, diagnosis and medical care of patients, laboratory diagnosis, epidemiology, and purchase of supplies.

AIDS -- PAHO executes the WHO's Global Program on AIDS in the Americas

Veterinary Public Health -- works to control animal diseases that are transmittable from animals to humans (zoonoses); food protection programs including the epidemiological surveillance of food-borne diseases (e.g. outbreaks of paralytic shellfish poisoning and other food poisoning of marine origin); programs for the eradication of foot-and-mouth disease.

PAN AMERICAN HEALTH ORGANIZATION FIELDS OF ACTIVITY

(continued)

HEALTH SYSTEMS INFRASTRUCTURE

Health Situation and Trend Assessments -- helps countries to assess the health status of their populations, organize and maintain epidemiological surveillance, and to use this information to plan and manage health systems. This program has been increasingly involved in the fight against AIDS.

Health Policies Development -- works to integrate health concerns into overall social and economic development

Health Services Development -- programs to strengthen health delivery systems

Essential Drugs and Vaccines -- availability and utilization

Oral Health -- this is a relatively new initiative and aims to integrate dental services within overall health service programs

Clinical, Laboratory and Radiological Technology for Health Services

Health Manpower Development -- supports medical and public health schools and other training institutions

Emergency Preparedness and Disaster Relief Coordination

Scientific and Technical Health Information -- disseminates up-to-date scientific and technical information to countries; produces a variety of publications on health topics.

Project planning

Programs at PAHO are developed on the basis of major initiatives, which are reviewed by the Organization's executive committee and directing council. Within a particular initiative, programs are then developed by country or region as appropriate.

Consulting, supplies, and equipment requirements and specification are developed by project officers and/or technical staff in the field or at headquarters, depending on the project - these same people provide a short list of suppliers or consulting firms to the Procurement Department.

Individual consultants are an important part of the Organization's work force -- 2,082 consultants were retained in 1990 for an average of about four to six weeks per project. Most worked in project or program planning and, to a much lesser extent in data processing, management information systems and general administration. Individuals are contracted by the personnel office in response to requests from the technical officer in charge, who provides the short list of acceptable names. As with other suppliers, there is no roster for individual consultants -- technical officers maintain their own personal contacts. An important change has been an emphasis on building a system of national professionals (from the beneficiary countries) -- but still they accounted for only 254 hired in 1990.

Competitive considerations

It should be mentioned that the major language of PAHO is Spanish because of the organization's focus on Central and South American. Consultants expecting to work in these countries must be able to communicate effectively in Spanish (or in Portuguese in Brazil). English is used only in the English-speaking Caribbean countries.

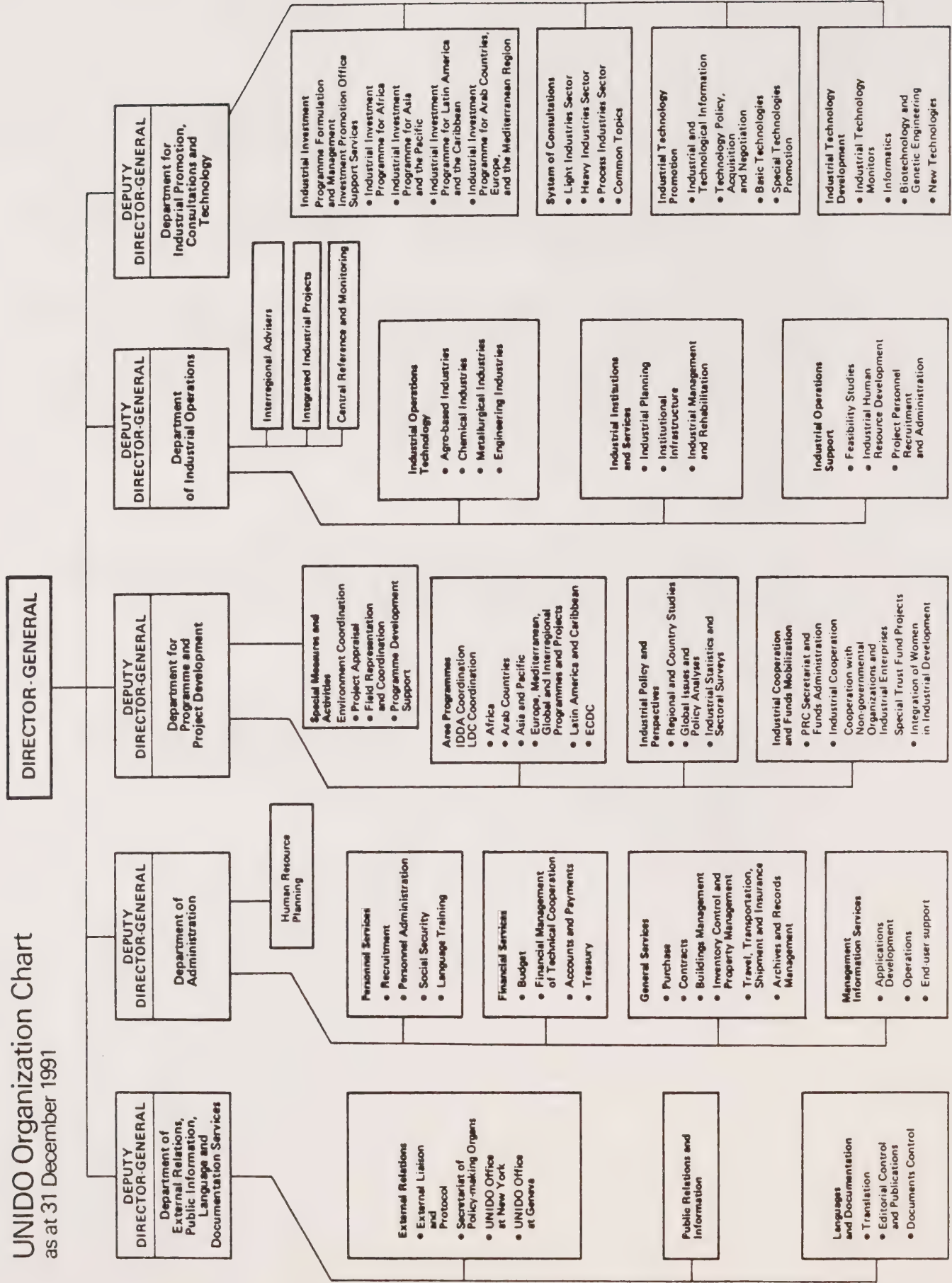
A helpful contact at PAHO

Mr. Anthony Asrilen
Chief, Procurement Department
Pan American Health Organization
World Health Organization
525 Twenty Third Street, N.W.
Washington, D.C. 20037
(202) 861-3426
FAX (202) 452-9007

Mr. Asrilen is in charge of procurement at PAHO/WHO, and can also assist in making other appropriate contacts at PAHO. Mr. Asrilen is Canadian.

UNIDO Organization Chart

as at 31 December 1991



. . . *United Nations Industrial Development Organization (UNIDO)*

UNIDO is the United Nations system's specialized agency responsible for coordination of industrial activities. The Organization encourages and assists developing countries to promote and accelerate their industrialization, and fosters industrial development and cooperation on global, regional, national and sectoral levels. This encompasses such activities as technical assistance, training, exchange of information, investment promotion, national and regional planning and technology transfer.

Organization

UNIDO headquarters is located in Vienna; however, there is a New York liaison office which offers assistance to North Americans seeking to make the appropriate contacts. In Vienna, the Department for Programme and Project Development divides programming responsibilities by region. This Department coordinates its efforts with the Department of Industrial Operations, which has technical people divided on sectoral lines.

Fields of activity

Technical cooperation activities during the 1990-91 planning period concentrated on projects in five problem areas: human resource development, technology development and transfer, industrial rehabilitation, small- and medium-scale industries, and environment and energy. Within these areas, programs focused on mobilization of financial resources for industrial development, economic and technical cooperation, and the integration of women in industrial development.

UNIDO's classification of industrial sectors by field of activity is not self-evident. The following table provides examples of sectors and projects falling under each field.

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION FIELDS OF ACTIVITY

Agro-based industries - focus on value-added products, including food-processing, leather industry, textile and garment industries, footwear, wood processing and wood products, and furniture. Emphasis in these industries has been on quality control and application of modern production technologies, rehabilitation and modernization of existing plants, relocation and sizing of production units appropriate for markets, cleaner technologies, processing of effluents and utilization of by-products and wastes, development of small scale rural activities and the integration of women in the production process. 1991 expenditures: US\$ 12.6 million.

Chemical industries - focus on economical and ecological acceptability, safer products, conformity with international standards for exports, and better utilization of natural and traditional raw materials. Includes agricultural chemicals, fertilizers, pharmaceuticals (e.g. product development for essential oils), biologicals (e.g. vaccines, slow release bacterial agents to kill cholera bacteria in wells and other sources of drinking water), energy (esp. renewable energy sources such as biomass, agricultural and industrial wastes; biogas; more efficient and environmentally acceptable utilization of coal), cement production, petroleum refining and petro-chemicals, pulp and paper (small-scale chemical recovery, high yield pulping and effluent treatment, programs to lower dependence on imported long-fibre pulp, high quality hand-made paper for export), inorganic chemicals (esp. salt production by solar energy, development of caustic soda and soda ash production), non-metallic minerals (ceramic, glass, cement and other building materials), stone industries (granite, marble, sandstone, luxury stones), improved quarrying, building materials (insulation, wall and roofing, insulation, sheet glass). 1991 project expenditures: US\$ 34 million.

Metallurgical industries - directed towards improving efficiency of operation and maintenance and the manufacture of spare parts, with emphasis on small- and medium-scale industry. Emphasis on clean technologies, special attention to environmental issues. Includes manufactured aluminum and copper, iron and steel (primarily rehabilitation of small- and medium-scale steel plants), small (mercury-based) gold extraction, metallurgical waste recycling, foundry and metal transformation, metallurgical processes required for spare parts manufacture (heat treatment and electroplating), development of new advanced metals and materials from wastes, computerized maintenance management systems. 1991 project expenditures: US\$ 7.5 million.

Engineering industries - emphasis placed on technologically advanced projects, especially those dealing with electronics and electrical engineering, appropriate techniques for rural industrialization, metalworks and machine tools, development of equipment for the energy sector, process technology and packaging techniques, repair and maintenance. Projects in high technology addressed issues such as design and development of automation and process control systems, electronic equipment and computer applications, CAD/CAM techniques. 1991 project expenditures: US\$ 15.5 million.

Industrial planning - formulation of strategies and policies for the restructuring and modernization the industrial sector; recent emphasis on Eastern Europe and Latin America. 1991 project expenditures: US\$ 9.1 million.

**UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
FIELDS OF ACTIVITY**

(continued)

Institutional infrastructure - development of industrial institutions and small and medium-scale industries. Includes industrial research and development (R&D) institutions, industrial information services, standardization, quality control and metrology, entrepreneurship development, privatization, rural industrial development, development of industry associations and chambers of commerce. Major emphasis on increasing role of R&D and improving quality. 1991 project expenditures: US\$ 19 million.

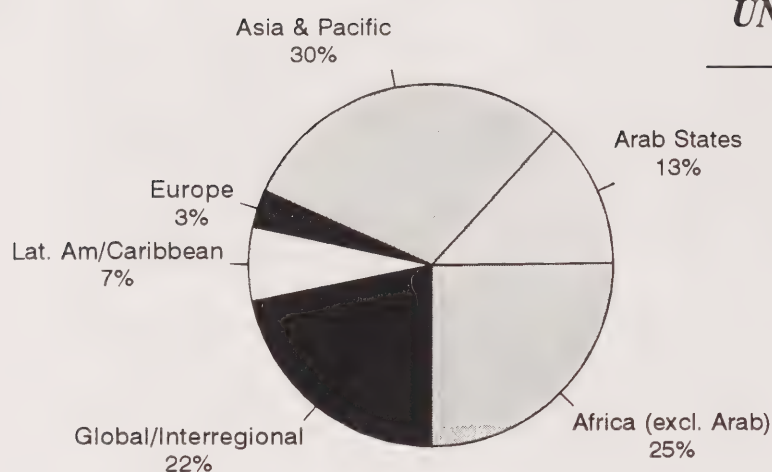
Industrial management and rehabilitation - assistance in the commercialization of industry, direct assistance to the private sector, and transfer of commercial management technologies (design for manufacture, total quality control, manufacturing resource planning (MRP)), transfer of management know-how, and rehabilitation/restructuring of individual enterprises (including use and allocation of capital). 1991 project expenditures: US\$ 7.1 million.

Feasibility studies (and related pre-investment activities) - focus on modernization analyses of existing industries and evaluation of measures to strengthen enterprises scheduled for privatization. 1991 project expenditures: US\$ 6.1 million.

Industrial human resource development - emphasis on training of trainers and closer linkage of industrial human resource development to the transfer and development of technology. 1991 project expenditures: US\$ 3.0 million (if combine training component of all UNIDO technical cooperation projects, expenditures on training would amount to \$17.6 million).

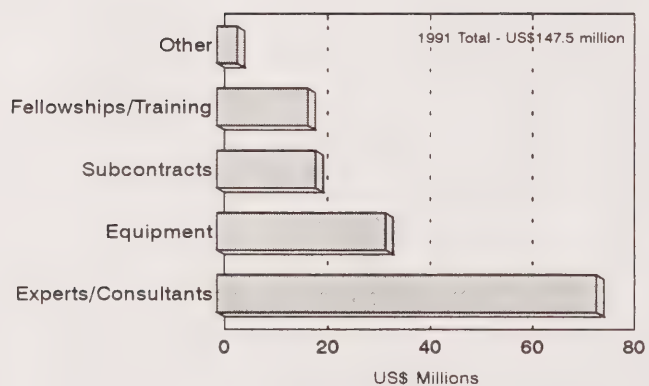
UNIDO Technical Cooperation

1991 Total - US\$ 147.5 Million



UNIDO Technical Cooperation

By Project Component



Project purchases

A total of 1,927 projects were implemented or were under implementation in 1991, with expenditures on technical cooperation of over US\$ 147 million. Africa (including Arab States) received the largest portion (36%) of UNIDO dollars, followed by Asia and the Pacific (30%).

Over half of all projects were less than US\$ 150,000. Projects broke down by field of activity and project size as follows:

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION 1991 Technical Cooperation Projects By Field of Activity and Project Size <i>(number of projects)</i>				
	<u>< \$150,000</u>	<u>\$150,000 - \$1,000,000</u>	<u>> \$1,000,000</u>	<u>TOTAL</u>
Agro-based industries	57	68	22	147
Chemical industries	155	120	62	337
Metallurgical industries	68	38	17	123
Engineering industries	96	69	39	204
Industrial planning	64	42	11	117
Institutional infrastructure	101	103	28	232
Industrial management and rehabilitation	53	32	11	96
Feasibility studies	65	38	9	112
Industrial human resource development	124	22	0	146
Other	295	105	13	413
TOTAL	1,078	637	212	1,927

The majority of technical cooperation expenditures were for project personnel/individual consultants (55%). Subcontracts with consulting firms/contractors accounted for 18%, followed by fellowships and training (12%) and equipment (11%).

Approximately 2,700 experts were appointed for project work. Of these, 580 were international experts retained for more than six months, 1,761 were international experts on mission for less than six months, and 359 were national professionals engaged for work in their own countries. Project missions averaged about three months in 1991.

The top ten countries supplying individual experts were as follows:

**U.N. INDUSTRIAL DEVELOPMENT ORGANIZATION
GEOGRAPHICAL DISTRIBUTION OF EXPERTS
1991**

<u>Country</u>	<u>Number of Appointments</u>
Poland	283
Hungary	253
United Kingdom	235
France	226
United States	147
Italy	116
Germany	103
India	90
Czechoslovakia	87
Belgium	52

NOTE: Canada ranked sixteenth, with 44 appointments.

Major equipment purchases include machinery and equipment for metal transformation workshops, chemical and allied industries, textiles, leather, woodworking, plastics processing and packaging, cement, ceramics and glass industries, materials testing (laboratory, pilot plant and full scale), instrumentation, audio-visual equipment, industrial materials, computer hardware and software, vehicles, technical books and periodicals, safety and security equipment. Equipment and supplies were also procured for headquarters use.

Project planning and purchasing

The largest single source of funding for UNIDO is the UNDP. Projects originate with UNDP and recipient country consultations; if industrial programming is required, execution is assigned to UNIDO. At UNIDO, project management is normally placed in the Department of Industrial Operations. Goods and equipment requirements and specifications, project personnel needs and short lists of acceptable suppliers and consultants are determined by the project managers who have technical expertise in their respective fields. The logistics of equipment procurement and contracts with consulting firms are then carried out by General Services. Recruitment of individual consultants is handled through the Project Recruitment Office of Personnel Services.

UNIDO maintains rosters of consulting organizations and vendors. The roster of individual consultants (called candidates) contains more than 12,700 people from 129 countries. While it is helpful to be registered, personal contacts with appropriate officers (regional and sectoral) are important, especially for consultants.

Competitive considerations

The organization has been constrained by a relative shortage of highly qualified experts available on short notice -- part of this problem is a result of UNIDO's resistance to paying market rates for experts. Because UNIDO is moving toward increased use of top quality experts for shorter periods of time, the organization realizes it will have to increase its rates.

Helpful contacts at UNIDO

Mr. Stephan Halloway
United Nations Industrial
Development Organization
One UN Plaza
New York, New York 10017
(212) 963-6890

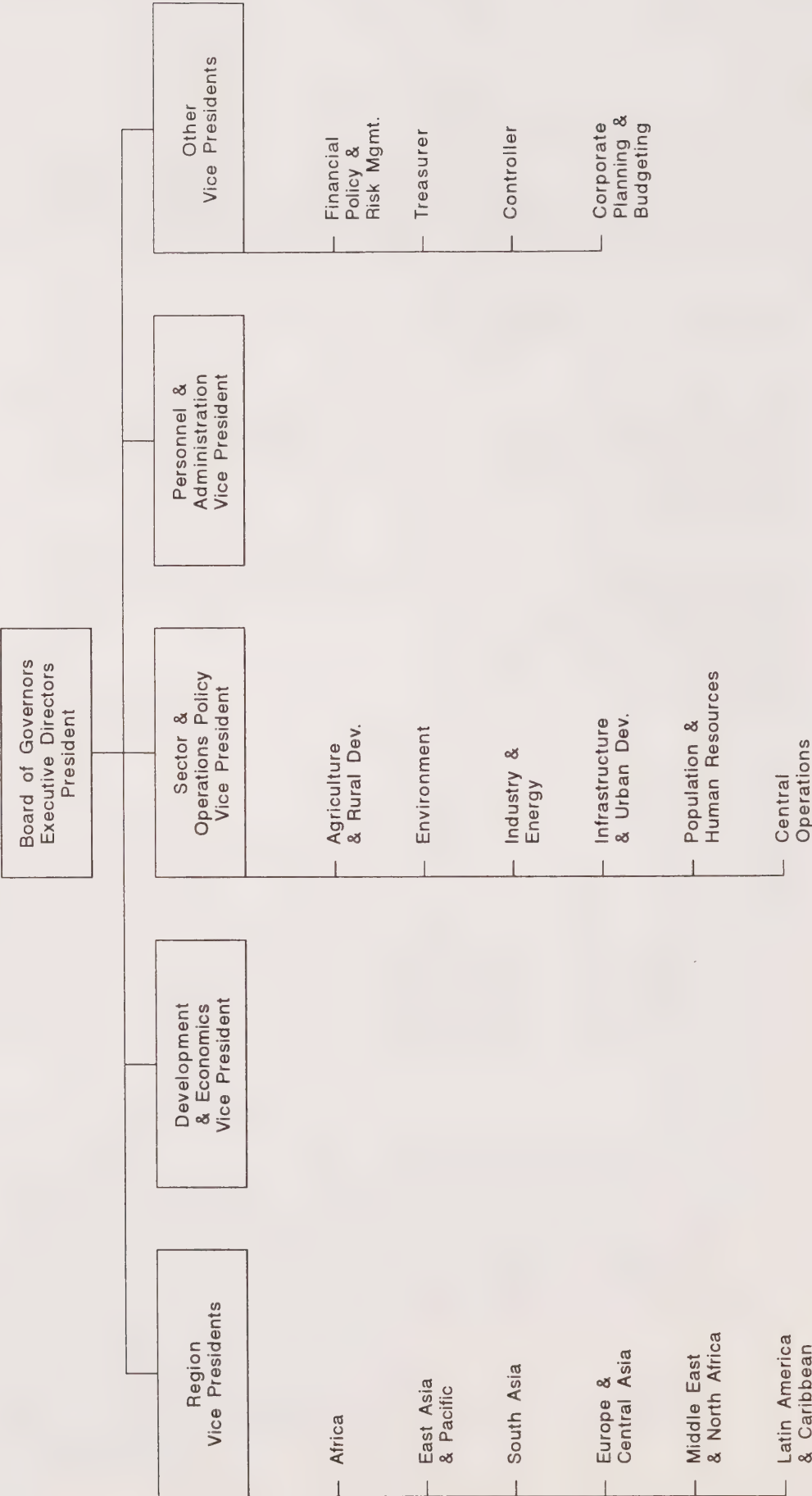
*Mr. Halloway can help arrange
appropriate contacts at
UNIDO headquarters in Vienna.*

Ms. Aurora Rodriguez
Information Officer
United Nations Industrial
Development Organization
One UN Plaza
New York, New York 10017
(212) 963-6882

*Ms. Rodriguez works for Mr. Halloway
and is more easily accessible.*

The World Bank

Organization Chart



. . . The World Bank (WB)

The World Bank is a multilateral lending agency consisting of four closely associated institutions:

... The International Bank for Reconstruction and Development (IBRD) -- lends to developing countries with relatively high per capita incomes. IBRD is owned by over 150 member governments.

... The International Development Association (IDA) -- provides financing to only the poorest of nations and at terms and conditions much more lenient than those of IBRD loans.

... The International Finance Corporation (IFC) -- deals exclusively with the private sector.

... The Multilateral Investment Guarantee Agency (MIGA) -- provides eligible investments with protection against political and other non-commercial risks.

Organization

The IBRD and IDA share the same staff and a common objective of improving social and economic conditions in developing countries by lending money for development projects. When people speak of the World Bank, they generally are referring to the IBRD and the IDA together. The World Bank organization from an operation point of view is divided primarily on country lines. Within each group of country offices there is also a technical office. Sectoral Directors are located in a separate department of Sector and Operations Policy.

Lending and Purchasing

World Bank lending totalled nearly US\$ 23 billion in 1991. Because Canada is a member of the World Bank, Canadian firms and individuals are eligible to compete for business opportunities arising from projects and activities funded by the Bank.

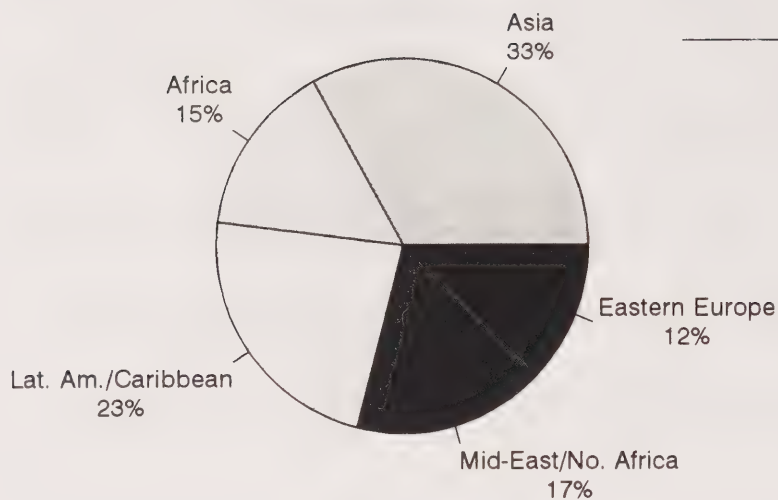
A look into World Bank lending gives some indication of potential types and locations of projects. Charts on lending by region and by sector are displayed on the following page. Thus far, World Bank lending has focused on agriculture (particularly agri-processing), industrial and financial sector development and energy, with particular emphasis on private sector development, institution building and the environment. Asia accounts for the largest regional proportion, at 33% or US \$7.5 billion. Lending to Eastern Europe, at 12% of total lending, will continue to expand in the foreseeable future.

When the World Bank lends money to a developing country for a project, the executing agency for the project will almost always be the borrowing country's government or a branch of that government. Because the *country*, and not the World Bank is the executing agency, it is therefore the *country* that is responsible for virtually every aspect of project execution, including the hiring of consultants and procurement of goods and services. This means that companies must focus their energy directly on marketing and selling to the executing agency in the borrowing country. World Bank officials can only be helpful in providing information about what projects are in stream.

Because the approach to obtaining developing country business funded through World Bank loans is completely different from securing business with the United Nations specialized agencies, it is not covered in this guide.

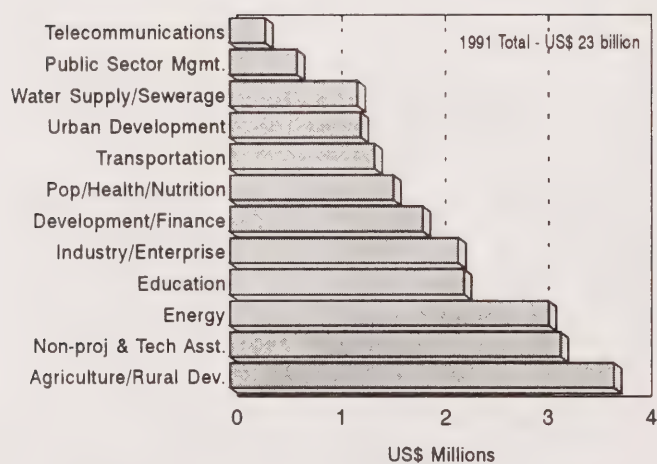
World Bank Lending

1991 Total - US\$ 23 billion



World Bank Lending

By Sector



Direct purchasing

The World Bank does, however, retain experts internally for short term assignments to supplement its own in-house expertise. In 1990, the Bank spent approximately US\$ 90 million on contracting individual consultants from member countries to assist in project preparation and appraisal. Assignments average 20-40 days and typically include a two week mission to the project location in the borrowing country.

Contracts for Bank work are with individuals rather than with firms. However, these assignments, at the initial stages of projects, are often key in positioning consulting firms for bigger downstream contracts in the implementation phase. Thus, some consulting firms are active in selling their consultants; in this case, the contract, although with the individual, would be put through the firm.

It is important for a consultant to develop relationships with both task managers and technical people in the country departments of interest and sectoral people as this is where decisions on who to hire are made. While the Bank maintains a register of individual consultants in specialized fields, task managers tend to rely on their own personal contacts. The Office for Liaison with International Financial Institutions (OLIFI) at the Canadian Embassy in Washington as well as the Canadian Executive Director's Office in the World Bank can assist in connecting Canadian consultants with the right people in their field.

Canada placed fourth in World Bank contracting of short-term consultants in 1991, earning 3.7% of total consultant days. Some 260 Canadians were hired for 375 separate projects, which amounted to about \$5.5 million in fees. Approximately 10 percent of the Canadians contracted were women.

Competitive considerations

(1) In 1990, the World Bank implemented new environmental guidelines, which mandate environmental assessment and planning in nearly all Bank funded projects. This has created substantial opportunities for experienced consultants in environment related disciplines. . . Forestry is another area of opportunity, with World Bank lending in this area expected to triple in the next few years. . . The Bank has promised to increase funding in population and human resources, including education. . . Although energy projects have declined in the past few years, energy still remains a significant sector amounting to 14% of new loan commitments in the past year. . . Telecommunications lending at the bank has focused more on management and technical assistance.

(2) Canada, through the Canadian International Development Agency (CIDA) offers \$600,000 annually in the "Canadian Consultant Trust Fund" at the World Bank to encourage and facilitate the use of Canadian experts and individual consultants in the preparation and evaluation of Bank projects, and for other Bank work. The funds are used by bank staff to hire individual consultants from a variety of sectors usually for short-term assignments for a maximum of 40 days or \$100,000, whichever is less. Another CIDA fund at the Bank is the "Canadian Environmental Trust Fund" which funds the use of Canadian experts for environment-related work. The Environmental Trust Fund offers \$1,000,000 annually.

These funds are accessed by project task managers at the Bank. The intent was to encourage task managers to use new Canadian consultants, but it doesn't happen that way. Unfortunately, funding for these projects is limited and demand is great -- the funds are paid in twice a year and the money is used up quickly. As a result, consultants are advised not to use the funds as a marketing tool, as this may create more resentment than good will.

VII. WHERE TO FIND ASSISTANCE

Government assistance

Helpful publications

Government assistance

Key contacts

The following Canadian government representatives can assist you in getting started.

Dr. David Cook
A.C.O.A.
75 Fitzroy Street
Charlottetown, PEI
(902) 566-7213
FAX (902) 566-7098

Dr. Cook is very knowledgeable about international trade in general.

Mr. Russell Merifield
Permanent Mission of Canada
to the United Nations
866 United Nations Plaza
New York, New York 10017
(212) 751-5600
FAX (212) 758-2603

*The Permanent Mission is Canada's permanent office at the U.N.
Mr. Merifield can assist in identifying who to see at U.N. offices in New York and can help make appointments for you.*

Ms. Andree Vary
Office of Liaison with
International Financial
Institutions
The Canadian Embassy
501 Pennsylvania Avenue, NW
Washington, D.C. 20001
(202) 682-7784
FAX (202) 682-7789

Ms. Vary can assist in identifying who to contact at the World Bank.

Ms. Jill Johnson
Canadian Assistant to the
Executive Director
The World Bank
1818 H Street, N.W.
Washington, D.C. 20433
(202) 458-0074
FAX (202) 477-4155

Ms. Johnson is located in the World Bank and can assist in determining who to contact and can arrange appointments.

Financial Assistance

Atlantic Canada Opportunities Agency (ACOA)

ACOA, through its Action program, has funding that may be applied to pursuing U.N. business opportunities, including the development of a marketing plan (up to 75% of eligible costs), certain incremental marketing costs (up to 50%) and certain qualified marketing personnel (up to 75% in first year, 50% in second year and 25% in third year). ACOA also has funding for bid preparation and pre-bidding activities (up to 75%) and other pre-positioning activities (up to 50%) provided they are in response to a Request for Proposal. Funding for these supplier development activities are limited to \$250,000 over a two-year period. Contributions over \$100,000 are repayable subject to the firm being awarded the contract. For more information contact:

ACOA Head Office
P. O. Box 6051
Blue Cross Centre
644 Main Street
Moncton, NB E1C 9J8
1-800-561-7862
(506) 851-2271
FAX (506) 851-7403

ACOA Nova Scotia
P. O. Box 2284, Station "M"
Central Trust Tower, Suite 600
1801 Hollis Street
Halifax, NS B3J 3C8
1-800-565-1228
(902) 426-8361
FAX (902) 426-2054

ACOA New Brunswick
P. O. Box 578
570 Queen Street
Fredericton, NB E3B 5A6
1-800-561-4030
(506) 452-3184
FAX (506) 452-3285

Enterprise Cape Breton Corporation
P. O. Box 1750
4th Floor, Commerce Tower
15 Dorchester Street
Sydney, NS B1P 6T7
1-800-565-9460
(902) 564-3600 / FAX (902) 564-3825

ACOA Newfoundland
P. O. Box 1060, Station "C"
Atlantic Place, Suite 801
215 Water Street
St. John's, NF A1C 5M5
1-800-563-5766
(709) 772-2751
FAX (709) 772-2712

ACOA Prince Edward Island
75 Fitzroy Street
Charlottetown, PEI C1A 1R6
1-800-565-0228
(902) 566-7492
FAX (902) 566-7098

ACOA Ottawa
P. O. Box 1667, Station "B"
4th Floor, 60 Queen Street
Ottawa, ON K1P 5R5
(613) 954-2422
FAX (613) 954-0429

Provincial Governments

Each provincial government provides support and funding to assist local firms and associations in the broad area of marketing. For information contact:

Prince Edward Island

Prince Edward Island
Marketing Agency (PEIMA)
West Royalty Industrial Park
Charlottetown, PEI C1E 1B0
(902) 368-5800
FAX (902) 368-6301

Nova Scotia

Department of Economic Development
Trade Development Centre
1800 Argyle St., Suite 502
P. O. Box 519
Halifax, NS B3J 2R7
(902) 424-4242
FAX (902) 424-5739

New Brunswick

Department of Economic Development
and Tourism
Trade and Investment Division
670 King Street, 5th Floor
P. O. Box 6000
Fredericton, NB E3B 5H1
(506) 453-2875
FAX (506) 453-3783

Newfoundland

Department of Industry, Trade
& Technology
Confederation Bldg., West Block, 4th Floor
P. O. Box 8700
St. John's, Nfld. A1B 4J6
(709) 729-2369
FAX (709) 729-5936

Program for Export Market Development (PEMD)

PEMD offers assistance to Canadian businesses for various export promotion activities, including travel, bid/proposal preparation, establishment of permanent foreign sales offices, participation in trade missions and fairs abroad. Applicants for PEMD assistance must meet External Affairs' definition of being "export ready" as well as certain other eligibility requirements. Delivery of PEMD is handled through the regional International Trade Centres (part of External Affairs). For more information contact:

International Trade Centre
Confederation Court Mall
134 Kent Street, Suite 400
P. O. Box 1115
Charlottetown, PEI
C1A 7M8
(902) 566-7400/FAX (902) 5667450

International Trade Centre
Assumption Place
770 Main Street
P. O. Box 1210
Moncton, NB
E1C 8P9
(506) 857-6444/FAX (506) 857-6429

International Trade Centre
Central Guarantee Trust Building
1801 Hollis Street
P. O. Box 940, Station M
Halifax, NS
B3J 2V9
(902) 426-7540/FAX (902) 426-2624

International Trade Centre
90 O'Leary Avenue
P. O. Box 8950
St. John's, Nfld.
A1B 3R9
(709) 772-5511/ FAX (709) 772-5093

Other Government Assistance

Canadian Commercial Corporation
U.N. Procurement Section
50 O'Connor Street, 11th Floor
Ottawa, Ontario K1A 0S6
(613) 995-3313 / FAX (613) 995-2121
Contact: Phillipe Bois

The CCC acts as prime contractor for government-to-government sales, with its U.N. Procurement Section devoted to developing U.N. business. The U.N. Procurement Section obtains tender documents from the U.N., sources Canadian suppliers to bid, checks bids for accuracy, assures the financial status of the bidder, and submits bids to the U.N. under the CCC name. It guarantees the U.N. performance of the contract and assumes all risks for the supplier.

CCC provides no financial assistance, only marketing assistance. Suppliers must fill out a registration form and send an information package in order to be listed on the CCC roster. There is no charge for CCC services, and registering with CCC does not preclude your dealing directly with U.N. agencies as well.

Department of External Affairs
and International Trade Canada
125 Sussex Drive
Ottawa, Ontario
K1A 0G2
(613) 996-7155
FAX (613) 943-1100

Regional Offices:
Charlottetown
Moncton
Halifax
St. John's
(addresses above)

The Department of External Affairs has a geographic division for every region of the world, and can be a useful source of information. Within External Affairs, International Trade Canada (ITC) often organizes missions for export ready companies to visit U.N. offices, as well as inviting U.N. officials to visit their local area. Contact your ITC regional office to express interest in attending these events.

Canadian International Development Agency (CIDA)
Industrial Cooperation Division
200 Promenade du Portage
Hull, Quebec
K1A 0G4
(819) 997-5456

CIDA's fundamental objective is to help the poorest countries and people to help themselves. CIDA programs are a good place for firms without international experience to get started. The Industrial Cooperation Program in particular encourages initiatives by Canadian firms in the Third World through financial assistance. Although this assistance is for outside the U.N. system, it is mentioned as it provides financial support in gaining international experience.

For more information, contact the above address. Numerous brochures are available explaining CIDA programming and assistance.

Helpful publications

The following publications offer useful information to prepare you to approach the United Nations.

General Business Guide for Potential Suppliers of Goods and Services to the United Nations System, Common Principles and Practices Governing Procurement of Goods and Services; a publication of the Inter-Agency Procurement Services Offices and the UNDP. Available free by contacting Alison Walton, Division of Information, UNDP, One UN Plaza, NY, NY 10017, (212) 906-5322, or the Canadian Commercial Corporation, U.N. Procurement Section, 50 O'Connor Street, 11th Floor, Ottawa, Ontario K1A 0S6, (613) 995-3313.

The World Bank Group Directory; a telephone directory for the World Bank with a section by organizational listing and by country teams. Available for US\$ 8.95 from The World Bank Group Bookstore, 1818 H Street, N.W., Washington, D.C. 20433, (202) 477-1234

Trends in Developing Economies 1991; a World Bank Publication which provides an introduction to the each developing country, its current situation and medium-term prospects. Available from The World Bank Group Bookstore, 1818 H Street, N.W., Washington, D.C. 20433, (202) 477-1234. There is some charge for the document.

Each U.N. agency publishes a report every year or two years, depending on their budget cycle. These reports are available free upon request, and provide useful information regarding projects and procurement.



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